



# ESG REPORT

# 2025

[esg@coolmate.me](mailto:esg@coolmate.me) →

# ABOUT THIS REPORT

Welcome to Coolmate's first Environmental, Social, and Governance (ESG) Report. This publication marks a significant milestone in our journey, as it is also the first year we measure and publicly disclose our progress toward long-term sustainability commitments.

## REPORTING SCOPE ↗

Unless otherwise stated, this report covers the non-financial performance and operational data of Coolmate for the fiscal year from January 1, 2025, to December 31, 2025. To ensure global comparability, all financial figures are presented in US Dollars (USD).

## COMPLIANCE WITH STANDARDS ↗

Our disclosures are aligned with leading international frameworks to ensure data comparability and usefulness for decision-making:

- **IFC's ESG Performance Standards** (IFC is also a shareholder of Coolmate's investor - Vertex Ventures)
- **GRI** (Global Reporting Initiative)
- **SASB** (Sustainability Accounting Standards Board)
- **TCFD** (Task Force on Climate-related Financial Disclosures)
- **UN SDGs** (United Nations Sustainable Development Goals)

## COMMITMENT TO TRANSPARENCY ↗

At Coolmate, we recognize that accountability drives action. We have enhanced our reporting practices to meet the rising expectations of stakeholders and navigate the changing global regulatory environment. Over the past year, we refined our methodology, reviewed material datasets, and strengthened data collection processes to ensure high data integrity. Although the 2025 report has not been third-party verified, it has undergone a rigorous internal quality review process to ensure accuracy.

## ADDITIONAL RESOURCES AND FEEDBACK ↗

For a comprehensive view of our governance structure, policies, and disclosure perspectives, please refer to the Governance section in this report or our digital resource center at **Coolmate.me**.

We highly value dialogue with the community. Please send any questions or feedback regarding our ESG strategy via email: **esg@coolmate.me**

# TABLE OF CONTENTS

## 01. INTRODUCTION

- About Coolmate
- Letter from Coolmate's CEO
- Our Brand
- 2025 Achievements
- Our Commitments

## 02. WHY ESG MATTERS?

- Why Coolmate chooses sustainable development
- What are Coolmate's ESG goals?
- ESG Strategy and Governance

## 03. ENVIRONMENT

### Current Status and Goals

- Greenhouse Gas (GHG) Emissions
- Biodiversity
- Circular Economy
- Materials
- Waste and Packaging
- Water
- Hazardous Chemicals

## 04. PEOPLE

### Current Status and Goals

- Coolmate's Workforce
- Talent Development
- Working Environment at Coolmate

## 05. COMMUNITY SUPPORT

### Current Status and Goals

- Care and Share Project
- Other Giving and Philanthropic Activities

## 06. TRANSPARENT GOVERNANCE

### Current Status and Goals

- Materiality
- Board of Directors
- ESG Oversight
- Stakeholder Engagement
- Grievance Management

## 07. REFERENCE FRAMEWORKS

- IFC's ESG Performance Standards
- GRI (Global Reporting Initiative)
- SASB (Sustainability Accounting Standards Board)
- TCFD (Task Force on Climate-related Financial Disclosures)
- UN SDGs (United Nations Sustainable Development Goals)

# 01. INTRODUCTION



# ABOUT COOLMATE

## MISSION

Coolmate was born to become a brand that Vietnam can be proud of, offering a better choice for consumers.

## VISION 2030

By 2030, Coolmate aims to become an iconic Vietnamese fashion brand, surpassing USD 500 million in revenue. We aspire to achieve multi-channel distribution and expand our presence across multiple countries worldwide, driven by our exceptional supply chain capabilities, cross-border sales expertise, and deep, meaningful connections with customers.

## MANUFACTURING & BUSINESS PHILOSOPHY

Serving society by delivering high-quality, sustainable, and accessible products, while building a transparent and responsible supply chain that generates long-term value for customers, partners, and society.

# HIGHLIGHTED NUMBERS

**\$3M**

Sales figures for the first year of selling on Amazon in the US market.

**\$35M**

2025 Revenue - A 70% increase compared to 2024, expanding into Women's products, the US market, and Offline sales channels.

**\$33.75M**

Total funding raised from 7 investment funds (To date).

**2+1**

01 Product Development & Management Center

- 02 Fulfillment Centers

**250+**

Full-time employees.



## PHAM CHI NHU

Founder & CEO, Coolmate

# LETTER FROM THE CEO

Dear Customers, Partners, and Stakeholders,

I am proud to introduce Coolmate's inaugural ESG Report. This document marks a significant milestone—the moment we transition from doing "good things" by instinct to rigorously measuring our impact with the same strict standards applied to financial growth. For the first time, transparency serves as our strategic north star as we disclose comprehensive, quantitative data across all three pillars: Environmental, Social, and Governance (ESG). This is more than just a report; it is our new foundation for accountability. By aligning with leading international standards—including IFC, SASB, GRI, and TCFD—we position Coolmate against global benchmarks. We are confident in our foundation and stand ready to be evaluated by global standards.

## Strategic Focus in 2025

Over the past year, we have systematized our sustainable development commitments across four material areas:

**Responsible Sourcing:** We tightened our supply chain, partnering exclusively with manufacturers that meet strict criteria for fair labor practices and business ethics.

- **Products & Packaging:** Innovation is central to our circular economy strategy. We prioritize the use of recycled and renewable materials, while achieving a critical milestone: transitioning 100% of our shipping bags to recycled materials.
- **People & Culture:** At Coolmate, people are our core competitive advantage. We foster an inclusive culture where diverse perspectives drive business value. Our collective strength multiplies when we act together—in 2025, we contributed over USD 50,000 along with numerous volunteer hours to support local communities.
- **Governance & Integrity:** We standardized policies to protect our core values. Throughout our expansion, integrity remains a non-negotiable principle.

## The Journey Ahead

The "Cool" spirit at Coolmate always represents a modern approach to business. In today's landscape, a modern brand must be a sustainable brand. We do not merely participate in trends; we invest resources to lead the transformation of the garment industry in Vietnam.

We are building a more resilient, more transparent, and high-impact Coolmate. Thank you for walking alongside us as we set new standards for the industry.

# OUR BRAND

Coolmate is a Vietnamese fashion brand focused on an active and efficient lifestyle (sportswear), built with the goal of providing high-quality, intelligently designed, and superior value everyday essentials for modern consumers.

We believe that clothing is not just for wearing; it must serve life—from comfort and flexibility in movement to adaptability to the climate and an active lifestyle. Therefore, every Coolmate product is developed with a focus on performance, high utility (everyday wear), and the optimization of user experience.

Coolmate's product portfolio focuses on core lines such as: Essential wear (upgraded daily wear), Activewear (sports and movement), Innerwear & socks, and Lifestyle accessories.

All products are built on a foundation of an active supply chain in Vietnam, combined with a data-driven product mindset and customer feedback to continuously upgrade quality. Coolmate is not just a fashion brand; we are step-by-step becoming a high-performance lifestyle brand for Vietnamese people, with the ambition to expand into international markets and establish our position on the global brand map.

## PRIORITY ON SUSTAINABLE MATERIALS

We are accelerating our transition to a circular economy, with a strong commitment to **using 100% sustainable** and recycled materials for our core collections by 2030.

## STYLE IS LINKED TO RESPONSIBILITY

At Coolmate, our commitment to sustainable development and inclusivity is not a standalone initiative—it is integrated into the core of our business. We intentionally design products to ensure that every garment respects both the people who make it and the planet we all share.

## SUSTAINABLE PACKAGING

From the factory to the customer's hands, we continuously optimize our processes. In 2025, we completed the transition to 100% shipping bags made from recycled materials, proving that fast-growing fashion can and must be environmentally responsible.

## EMPOWERING THE COMMUNITY

We believe that fashion can create positive value for society. Through our "**Care & Share**" programs and community partnerships, we empower our workforce and customers to contribute to causes they care about. In 2025, we contributed over 1 billion VND and more than 50,000 garments to social impact organizations in Vietnam. As we expand globally, Coolmate continues to strongly pursue manufacturing excellence. We are not just building a brand—we are **shaping a legacy built on integrity, transparency, and kindness.**

# MILESTONES IN 2025 - AWARDS & RECOGNITIONS



Honored as **“The Rising Star 2025”** by Amazon at its 2025 Annual Summit, recognizing exceptional growth in the US market.

Successfully completed the Series C funding round with the **highest capital raised in Vietnam** among startup companies in 2025, strengthening our **long-term capital structure** and creating a foundation for strategic expansion.



Maintained active collaboration in large-scale running and lifestyle events in Vietnam, enhancing **community engagement and brand positioning** based on an active lifestyle.



Coolmate successfully developed its Pickleball product line. Maintained a **growth rate of over 30% per month**, becoming one of the most loved Pickleball brands in Vietnam.



In 2025, Coolmate officially launched its women's product line. In just 8 months, sales **exceeded \$3 million**. This is a significant step in the company's expansion strategy, confirming the brand's strong growth potential.



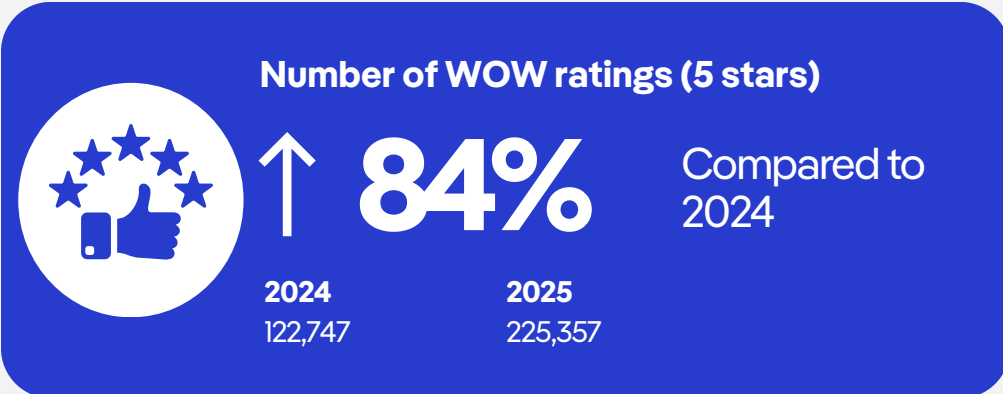
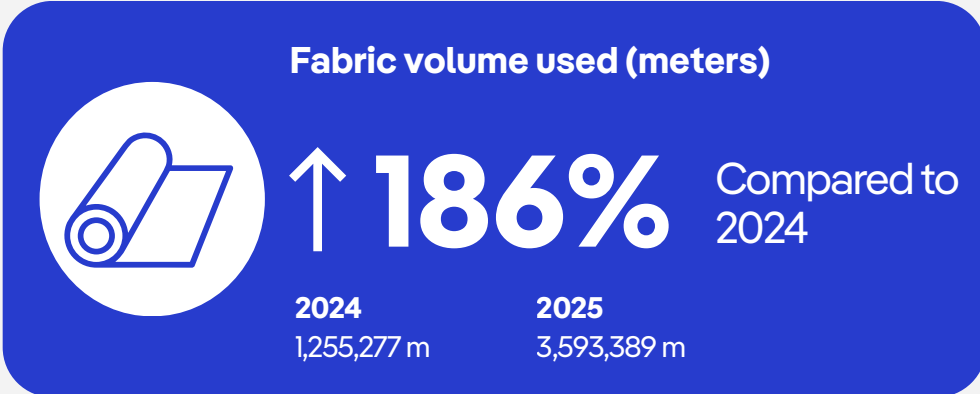
Maintained the **#1 position on E-commerce platforms** including Shopee, Lazada, and Top Performance on Tiktokshop, driven by high customer ratings and excellent operational standards.



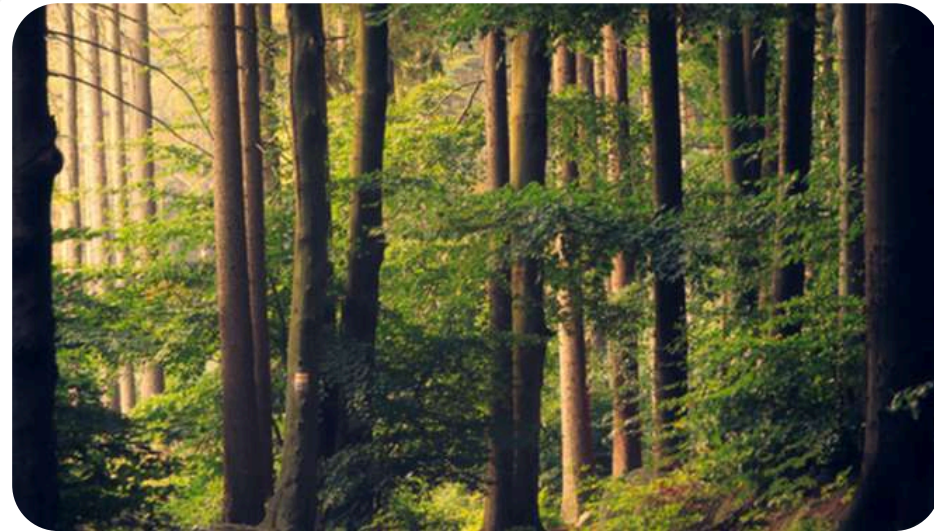
## > 1 Billion VND

This is the amount Coolmate has contributed through cash and products to Care&Share social projects. This is part of our **sustainability commitment and responsibility to the community**.

# 2025 HIGHLIGHTS



# OUR ESG COMMITMENTS



## 01. ENVIRONMENTAL COMMITMENT

Coolmate is committed to **minimizing our environmental impact throughout the entire product lifecycle**, from design and material selection to manufacturing and distribution.

We prioritize the use of recycled or eco-friendly materials, optimize production processes to reduce resource waste, and step-by-step transition to sustainable manufacturing and operational solutions.

Coolmate's long-term goal is to build a responsible product ecosystem and supply chain, contributing to emission reductions and promoting **sustainable consumption**.



## 02. SOCIAL COMMITMENT

Coolmate is committed to building a fair, safe, respectful, and growth-oriented working environment for our people, while ensuring responsible labor standards across the entire supply chain.

**We respect human rights**, reject forced labor or child labor, and promote the principles of diversity, equity, and inclusion (DEI). In addition, Coolmate actively contributes to the community through social initiatives such as Care & Share, with the goal of **creating positive and long-lasting value for society**.



## 03. GOVERNANCE COMMITMENT

Coolmate is committed to operating our business on a foundation of transparency, integrity, and compliance, ensuring that all business activities are conducted under the **highest ethical standards**. We establish clear governance systems, proactively control risks, and make data-driven decisions rooted in accountability.

Coolmate has a zero-tolerance policy for violations such as corruption, bribery, or conflicts of interest, and always places the long-term interests of the company and our stakeholders first.

# 02. WHY IS ESG IMPORTANT?

At Coolmate, we **do not practice ESG just for the trend**. We do it because we understand that the value of a shirt does not stop at its stitches, but also lies in how it is created and the impact it leaves behind.

### Customer and market expectations are the drivers of sustainable growth

**77%**

Customers prefer to shop from brands with clear commitments to the environment and society.

**88%**

Citizens believe it is important for companies to play an active role in improving social and environmental issues.

**50%**

Consumers are willing to pay a premium price for products that have a positive impact on the supply chain.

**73%**

Investors use environmental and social efforts as a metric for their investment decisions.

**90%**

Global investment organizations will actively reconsider or divest their investments if a company does not integrate ESG criteria into its business model.

**93%**

Employees believe that companies must lead with meaningful goals (lead with purpose).

# THE ESG SYSTEM

- At Coolmate, ESG is not viewed as a compliance activity, but as a core part of how we design products, operate our supply chain, and build our brand.
- This means every product and business decision must meet 3 criteria:
  - Performance
  - Accessibility
  - Responsibility



## **E** ENVIRONMENTAL

Sustainable environmental development

- Use recycled or eco-friendly materials.
- Reduce manufacturing waste.
- Promote recycling and reuse.
- Create high-durability products.



## **S** SOCIAL

Community and social care

- Ensure labor rights and welfare for employees.
- Fair partnership with partners and suppliers.
- Contribute to community development through Care&Share projects.
- Create a fair, diverse, and inclusive working environment (DEI – Diversity, Equity, Inclusion).



## **G** GOVERNANCE

Transparent governance

- Operate the business with transparency and ethics.
- Comply with laws, regulations, and international standards.
- Have a long-term strategy and good risk management.

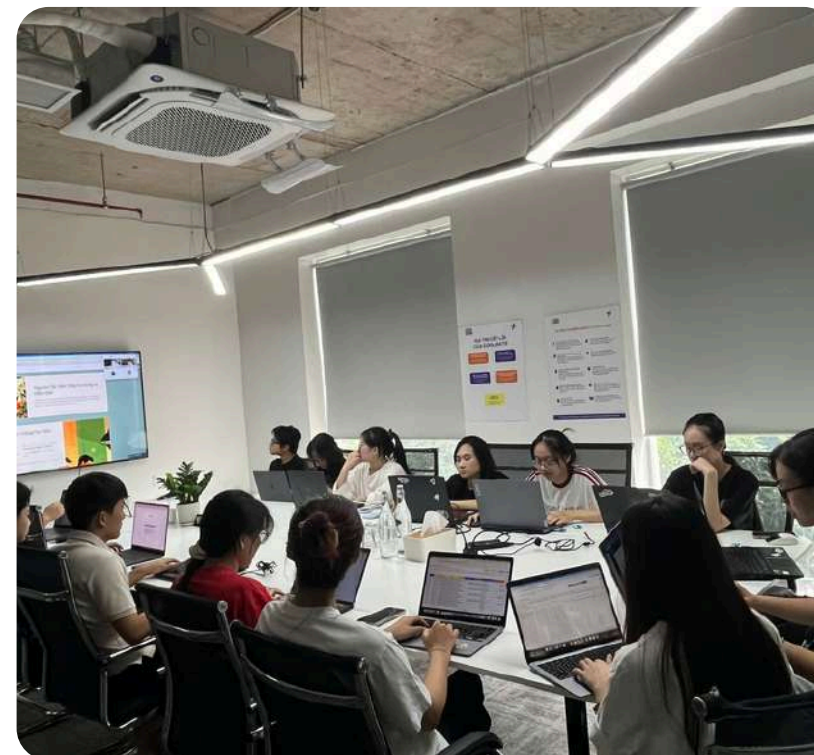
# ESG GOVERNANCE MODEL

ESG at Coolmate is implemented through a top-down and cross-functional model.



## 1. OVERSIGHT BY THE CEO & BOARD OF DIRECTORS

- **The CEO holds ultimate accountability for ESG direction.**
- **BOARD OF DIRECTORS:**
  - Periodically review ESG performance.
  - Ensure ESG is aligned with financial and growth strategies.
- **ESG is integrated into:**
  - Annual plans
  - Company-level KPIs
  - Annual reports for shareholders



## 2. ESG CONTACT POINT & INTERDEPARTMENTAL TEAM

- The ESG Focal Point serves to
  - Coordinate the ESG roadmap
  - Standardize data and reporting
- Cross-functional execution
  - Product: materials & design
  - Supply chain: factories, logistics
  - HR: L&D, IC&Culture
  - Marketing: communications and brand trust
  - Tech/Data: data protection
- ESG is the responsibility of the entire organization, not a standalone department

# ESG OVERSIGHT

At Coolmate, we transition from voluntary initiatives to mandatory compliance. Oversight extends beyond internal operations to reach every supply partner

	Results to 2025	Status
<b>ESG Committee</b>	Fully operational	<b>Completed</b>
<b>ESG Assessment</b>	02 independent reports	<b>Completed</b>
<b>CSR Certification</b>	65% of entire supply chain 90% of strategic suppliers	<b>Accelerating</b>

## Executive Structure

Officially established the **ESG Committee under the Board of Directors**, holding the highest accountability for the sustainable development roadmap and approving green investments.

## Measurement & Assessment

Completed **02 in-depth ESG audits (Internal & External Audits) in 2025**, ensuring objectivity and transparency in all disclosed data.

## Responsible Supply Chain

**>50% of strategic suppliers** have achieved international CSR certifications (such as WRAP, SEDEX, Better Work, or BSCI). This is a prerequisite for maintaining long-term partnerships with Coolmate.

# STAKEHOLDER INVOLVEMENT

At Coolmate, we build a multi-directional dialogue system to ensure every ESG strategy accurately reflects the expectations of the community and the market.

Related parties	How we listen	The issue they are most concerned about
Customers	Periodic surveys, Website/App ratings, social media	Product quality, sustainable materials, transparency
Employees	Engagement surveys, direct dialogue with the Management Board	Income, career roadmap, working environment, DEI
Suppliers	Periodic assessments (Audits), CSR training programs	Order stability, ethical operational standards
Investors	Periodic reports, Annual General Meeting (AGM), ESG strategic meetings	Financial performance coupled with environmental impact

---

# 03 ENVIRONMENT

- Current Status
- Targets



# CURRENT STATUS

CURRENT STATUS

# RECORDED GREENHOUSE GAS (GHG) EMISSIONS

2024  
**78,4133** tCO<sub>2</sub>e

2025  
**103,710** tCO<sub>2</sub>e

- Emissions from the supply chain remain the primary source of emissions.
- Increased energy consumption reflects the expansion of business operations.
- Renewable energy initiatives are still in the early stages, with significant opportunities for further improvement.

2024

2025

Direct Emissions (Scope 1)  
**+7.6%**

**20,864** tCO<sub>2</sub>e

**22,454** tCO<sub>2</sub>e

Energy Indirect Emissions (Scope 2)  
**+11.6%**

**19,876** tCO<sub>2</sub>e

**22,172** tCO<sub>2</sub>e

Value Chain Emissions (Scope 3)  
**+56.8%**

**37,673** tCO<sub>2</sub>e

**59,084** tCO<sub>2</sub>e



# WATER

## Current Performance

Water consumption has declined in absolute terms, reflecting improved water-use efficiency while maintaining operational effectiveness. Although business operations have expanded, water usage has been optimized through enhanced management practices and conservation initiatives.

### Actions Implemented

- Optimized cleaning and wastewater treatment processes.
- Applied water-saving technologies at manufacturing facilities.

2024

16,503,509m<sup>3</sup>

2025

15,850,771m<sup>3</sup>

↓ 3.95%



# WASTE

## Current Performance

In 2025, Coolmate continued to enhance the effectiveness of its waste management practices, focusing on operational optimization and responsible waste handling across the entire value chain.

- Total waste generation decreased by 31%, despite continued business growth, reflecting improvements in operational controls and efficiency.
- Solid waste volumes remained stable, demonstrating consistency in waste management across core operations.
- A total of 27,752 tonnes of waste were recovered and recycled through external waste treatment and recycling partners.
- Waste management efforts focused on resource recovery and responsible treatment practices, supporting the transition toward a more circular operating model.

Looking ahead, improving recycling efficiency and enhancing the granularity and quality of waste data will remain key priorities.

### WASTE

2024

**15,030** tons

2025

**21,745** tons

### WASTE RECOVERED AND RECYCLED

Includes waste recovered throughout operational activities and the supply chain.

2024

**15,030** tons

2025

**29,161** tons

### SOLID WASTE

2024

**14,266** tons

2025

**14,148** tons



# CHEMICAL CONSUMPTION

## Current Performance

- Chemical consumption decreased by 13%, reflecting improvements in material efficiency and production processes.
- Continued efforts to optimize chemical usage to minimize environmental impacts arising from manufacturing activities.
- Focused on safe chemical management and compliance with international standards.

2024

**16,278** tonnes

2025

**14,128** tonnes

# TARGETS

# ENVIRONMENT

Focusing on sustainable materials and reducing our carbon footprint.

KPI	2026 Target	2030 Target	2040 Target
<b>Greenhouse Gas Emissions</b>	Complete Scope 1, 2, and 3 emissions inventory	Reduce Scope 3 emissions (value chain emissions) by 42% compared to 2024	Achieve Net Zero emissions. Use 100% renewable electricity.
<b>Circular Economy</b>	Launch a used-garment collection and recycling program (Coolmate Re-use)	100% of products designed according to circular design principles (recyclable and/or biodegradable)	Establish a closed-loop model, where used products are transformed into raw materials for new products
<b>Materials</b>	50% of products made with sustainable materials (Recycled Polyester, Organic Cotton, Sorona®)	100% of cotton and fiber suppliers certified to sustainability standards (BCI, GRS)	Use 100% next-generation materials derived from bio-based or ocean-recovered waste sources
<b>Waste &amp; Packaging</b>	100% of packaging bags made from recycled plastic or biodegradable materials	Reduce total packaging weight by 25% and completely eliminate virgin plastic	Achieve Zero Waste to Landfill across all operations
<b>Water &amp; Chemicals</b>	100% of dyeing partners meet Class A wastewater discharge standards	Reduce water consumption in production by 30% through waterless dyeing technologies	Achieve a 100% hazardous chemical-free supply chain in accordance with ZDHC standards

# APPROACH

## Environmentally Preferred Materials

We prioritize and increase the use of materials with lower environmental impacts, including:

- Recycled cotton fibers and recycled cotton
- Recycled polyester
- Cellulosic fibers sourced from sustainably managed forests
- Materials certified to internationally recognized standards

These materials help reduce the use of virgin resources, lower emissions, and minimize impacts on ecosystems.

## Reducing Textile Waste

We continue to expand and pilot innovative materials that help minimize environmental impacts, including:

- Bio-based materials
- Materials derived from recycled waste
- Advanced material technologies that reduce resource consumption

## Circular Business Model

We are strengthening the use of recycled materials and advancing circular solutions across our value chain by:

- Increasing the proportion of recycled materials in products
- Reusing textile manufacturing scraps in production
- Researching textile-to-textile recycling solutions

Our goal is to extend material lifecycles and reduce waste generation.

# Targets

# GREENHOUSE GAS EMISSIONS

## OUR APPROACH

- We are committed to reducing greenhouse gas emissions across our entire value chain, with the goal of achieving Net Zero by 2040. Our efforts focus on addressing emissions from the supply chain (Scope 3), particularly those associated with raw materials and manufacturing.
- Our strategy centers on improving energy efficiency, transitioning to renewable energy sources, and adopting circular product design principles, thereby reducing reliance on virgin resources and lowering overall energy consumption.

## CLIMATE TARGETS

- **By 2030**  
 Reduce Scope 1 and Scope 2 emissions by 70%  
 Reduce Scope 3 emissions by 42% (compared to the 2024 baseline)
- **By 2040**  
 Achieve Net Zero emissions (Scopes 1, 2, and 3)  
 Source 100% of electricity from renewable energy

## KEY ENABLERS

- Invest in emission reduction technologies
- Collaborate closely with suppliers
- Implement ESG-based supplier preference and evaluation mechanisms

- **Internal Operations (Scopes 1 & 2):** We directly manage and control emissions generated from our offices, warehouses, and operational activities through the following initiatives:

### Enhancing Energy Efficiency

Upgrade lighting systems and heating, ventilation, and air conditioning (HVAC) systems, while optimizing operational efficiency across facilities.

### Transitioning to Renewable Energy

Achieve 100% renewable electricity by 2030 through green power procurement and on-site renewable energy solutions.

### Standardizing Green Operations

Implement energy efficiency standards across all operational facilities and activities.

- **Value Chain (Scope 3)**

### Suppliers

Establish emissions reduction targets  
 Transition to renewable energy sources  
 Reduce dependence on fossil fuels

### Materials

Increase the use of recycled and sustainable materials  
 Reduce the carbon footprint of raw materials

### Logistics

Optimize transportation activities  
 Reduce reliance on air freight  
 Improve packaging efficiency

- **Integration with the Circular Economy**

Our greenhouse gas emissions reduction strategy is closely aligned with our circular economy approach.

Designing products based on circular principles helps reduce emissions throughout the product lifecycle.

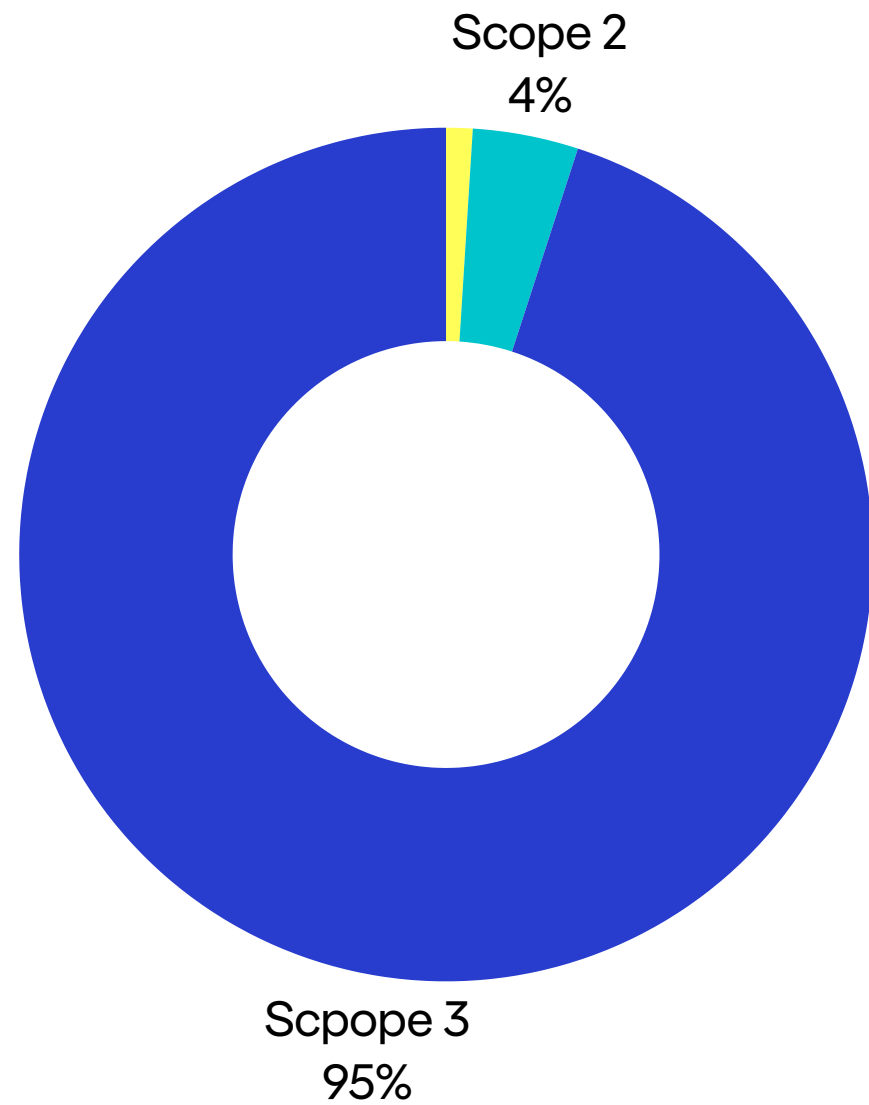
Increasing recycling and product take-back initiatives reduces the demand for virgin raw materials.

Developing closed-loop systems enables materials from used products to be recovered and reused, contributing to long-term emissions reductions.

In the long term, the circular economy is not only an environmental solution but also a strategic foundation for achieving our Net Zero target by 2040.

Alignment with international standards: GHG Protocol and SBTi.

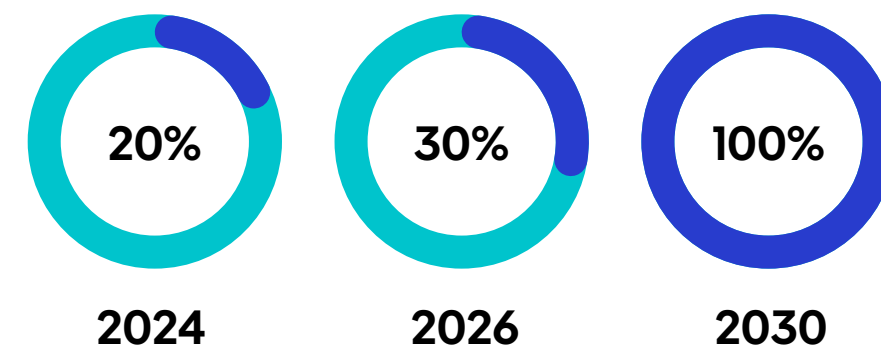
### 01. GHG Emissions by Scope



### 02. Emissions Reduction Progress (vs. 2024 Baseline)

Year	Scope 1&2	Scope 3
2024	baseline	baseline
2026	↓ 20%	↓ 10%
2027	↓ 40%	↓ 20%
2030	↓ 70%	↓ 42%

### 03. Renewable Electricity Usage Rate



### 04. Supply Chain Emissions Reduction Progress

Indicator	2024	2026	2030
Suppliers with carbon reduction targets	10%	50%	100%
Suppliers with action plans	5%	40%	100%
Suppliers using renewable energy	10%	30%	80%

### 05. Scope 3 Emissions Breakdown by Category

- ~70 – 80% Raw Materials
- ~10 – 15% Manufacturing
- ~5 – 10% Logistics
- <5% Others

# CIRCULAR MANUFACTURING

## Implementation Roadmap (2026–2040)

2026

Achieve 30% of product portfolio designed in accordance with circular design principles.

2027

Expand circular design adoption to 60% of products.

2030

Achieve 100% of products designed in accordance with circular design standards.

2035

Launch a product take-back program across the entire system.

2040

Establish a closed-loop model, where used products are recovered and utilized as raw materials for new products.

### Our Approach

- Biodiversity forms the foundation of healthy soils, water resources, and ecosystems—elements that are essential to the textile industry. However, upstream activities such as raw material extraction, land-use change, chemical use, and linear production models can contribute to ecosystem degradation and biodiversity loss.
- At Coolmate, we focus on minimizing these impacts through product design, responsible material selection, and the adoption of circular business models. Our approach aims to **reduce reliance on virgin resources and minimize waste generation.**

### Assessment and Identification of Key Impact Areas

In 2026, we will begin assessing biodiversity-related impacts across our value chain to identify priority areas for action, including:

- **Materiality Screening** to identify key biodiversity-related topics.
- Identification of major impacts associated with land use, water use, and pollution arising from raw material sourcing and manufacturing activities.
- **Value Chain Assessment** to evaluate biodiversity-related risks and impacts throughout the value chain.
- **Prioritization of areas with the greatest potential** impacts, particularly raw materials and manufacturing, where risks such as land degradation, water stress, and chemical pollution may occur.

### Strategic Priorities

- **Circular Design:** Design products for recyclability, extend product lifecycles, and reduce waste generation.
- **Preferred Materials:** Increase the use of sustainable materials and reduce dependence on virgin resources.
- **Closed-Loop Systems:** Develop product take-back and reuse systems to support circularity.

# CIRCULAR ECONOMY

- We aim for **all Coolmate products to be designed in accordance with circular economy principles throughout their lifecycle** (from design and use to end-of-life management) by **2030**.
- The fashion industry remains heavily dependent on **virgin resources and linear production models**, creating environmental pressures through resource extraction, waste generation, and short product lifecycles. In response, Coolmate is **transitioning toward a circular business model** to extend product lifecycles, reduce waste generation, and decrease reliance on virgin resources.
- Guided by globally recognized circular economy principles, we focus on **three strategic pillars**.

## Circular Design

We have established circular design standards across our product development process, focusing on:

- Designing durable products with extended lifespans
- Designing products for reuse, repair, and recycling
- Prioritizing recycled materials and sustainably sourced materials

### Targets:

- 2026: 30% of products designed according to circular design principles
- 2030: 100% of products designed in accordance with circular design standards

## Circular Business Model

We are developing business models that extend product lifecycles and reduce waste generation by:

- Implementing a product take-back program (Coolmate Re-use)
- Encouraging product reuse, resale, and recycling
- Exploring new models such as repair and refurbishment services

### Targets:

- 2035: Roll out the product take-back program across the entire system
- 2040: Fully integrate circularity into our operating model

## Reducing Textile Waste

We collaborate with suppliers to minimize waste generated during manufacturing through:

- Optimizing material utilization rates
- Recycling textile scraps generated during production
- Developing recycled materials derived from textile waste

### Targets:

- Reduce waste generation across the supply chain
- Achieve Zero Waste to Landfill by 2040

# COOLMATE'S CIRCULAR ECONOMY MODEL



## Role of Materials

Materials play a critical role in our circular economy model by:

- Increasing the use of recycled and sustainable materials
- Reducing dependence on virgin materials
- Developing next-generation materials derived from waste streams

## 2030 Commitment

100% of products designed in accordance with circular design principles

## Alignment with Our Climate Strategy

The circular economy serves as a key lever for:

- Reducing greenhouse gas emissions across the entire product lifecycle
- Reducing dependence on natural resources
- Supporting our goal of achieving Net Zero by 2040

## 2040 Commitment

- Establish a closed-loop system
- Achieve Zero Waste to Landfill

# ENVIRONMENTALLY PREFERRED MATERIALS

## Environmentally Preferred Materials

Coolmate aims to source 100% of its materials in accordance with sustainability standards by 2030, while reducing reliance on virgin resources and advancing circular material flows throughout the product lifecycle.

The fashion industry is highly dependent on raw material inputs for product manufacturing.

The extraction and processing of materials require significant natural resources, including water, energy, and land, and represent a major source of greenhouse gas emissions across the value chain.

To address these impacts, we prioritize the use of materials with lower environmental footprints compared to conventional alternatives, while integrating circular economy principles into our product development processes.

# Environmentally Preferred Materials

## Implementation and Management

To ensure effective implementation, we:

- Apply a material classification and assessment system to evaluate material sustainability performance.
- Integrate material criteria into product development processes.
- Collaborate with suppliers to transition toward more sustainable material sources.
- Strengthen traceability and material sourcing transparency.

Aligned with our circular economy strategy

## Materials Strategy as a Foundation for the Circular Economy

- Support the design of recyclable products.
- Reduce dependence on virgin materials.
- Increase opportunities for material recovery and reuse.

## Targets

**By 2026**

- ≥50% of products made with sustainable materials.

**By 2030**

- 100% of fiber suppliers meet recognized sustainability standards.

**By 2040**

- 100% of next-generation materials sourced from recycled or bio-based feedstocks.

## Aligned with International Standards

Our materials strategy is guided by internationally recognized standards, including:

- Textile Exchange (Fiber & Materials Matrix)
- Global Recycled Standard (GRS)
- Sustainable cotton and fiber standards



# WASTE AND PACKAGING

Coolmate is committed to reducing waste and optimizing packaging across the value chain, with the goal of eliminating virgin plastic from packaging materials by 2030.

Waste and packaging are not only environmental concerns but also important opportunities to improve operational efficiency and optimize costs. Our approach is guided by three key principles: **reduce at source, standardize, and circularity.**

## Our Approach

### 01. Source Reduction

- Optimize material consumption and cutting layouts
- Design packaging that fits products appropriately
- Standardize packaging systems

### 03. Reuse

- Reuse materials generated from warehouse operations
- Pilot reusable packaging solutions
- Extend material lifecycles

### 02. Increasing the Use of Recycled Materials

- Expand the use of recycled polybags and carton packaging
- Prioritize post-consumer recycled materials
- Implement waste segregation and collection at source

### 04. Reducing Landfill Disposal

- Prioritize recycling and reuse
- Implement upcycling solutions
- Increase waste diversion from landfill



# Waste and Packaging

## Implementation and Management

We have established key performance indicators (KPIs), including:

- Waste generated per product
- Packaging used per order

Integrated into operational management through:

- Supplier assessments
- Warehouse and logistics management

## Circularity Integration

- Support the design of recyclable products
- Reduce dependence on virgin materials
- Increase opportunities for product recovery and reuse

## Targets

**By 2026:** ≥50% of packaging made from recycled materials

**By 2030**

- ≥75% of packaging made from recycled materials
- Eliminate landfill disposal from core operations

## Reference Standards

- Sustainable waste management principles
- Packaging and circular economy guidelines for the textile industry



# WATER

## Our Approach

- Water is a critical resource in the textile industry, particularly in dyeing and finishing processes. Inefficient water use and inadequately controlled wastewater discharges can place significant pressure on ecosystems and local communities.
- At Coolmate, we focus on reducing water consumption and improving wastewater quality through technological innovation, process optimization, and close collaboration with suppliers.

## Key Impact Areas

Most water-related impacts occur within the supply chain, particularly:

- Dyeing and finishing processes, which consume significant volumes of water and generate wastewater
- Wastewater treatment activities that directly affect the quality of discharged water
- Regions facing high levels of water stress

Therefore, our strategy focuses primarily on Tier 1 and Tier 2 suppliers.

## Key Enablers

- Technology: Invest in and promote the adoption of water-saving technologies
- Data: Develop water measurement and monitoring systems to improve transparency and management
- Partnerships: Collaborate with strategic suppliers to implement improvement initiatives

## Targets

### By 2030

- Reduce water consumption in production by 30%
- Implement water-saving technologies at key manufacturing facilities

### By 2040

- Achieve a 100% hazardous chemical-free supply chain
- Optimize water reuse and recycling systems in production

## Strategic Priorities

### Reducing Water Consumption in Production

- Adopt water-efficient manufacturing technologies (e.g., waterless dyeing and low-water dyeing processes)
- Optimize production processes to minimize water losses
- Increase water reuse per unit of product

### Managing and Improving Wastewater Quality

- Ensure that all supplier factories comply with wastewater discharge standards
- Strengthen the control of chemicals used in production
- Advance toward a hazardous chemical-free supply chain

### Supplier Engagement

- Work directly with manufacturing partners to establish water reduction targets
- Support technology and process improvements
- Integrate water-use performance criteria into supplier assessments

## Alignment with Other Strategies

### Our water strategy is closely linked to:

- Sustainable materials → reducing water treatment requirements
- Circular economy → reducing waste generation and wastewater discharge
- Greenhouse gas (GHG) emissions → lowering energy consumption associated with water treatment

### Alignment with International Standards

Our approach is guided by internationally recognized standards, including:

- ZDHC (Zero Discharge of Hazardous Chemicals)
- Industry initiatives promoting a hazardous chemical-free supply chain
- Industrial wastewater discharge standards
- Ensuring wastewater is treated to required standards before being discharged into the environment

# HAZARDOUS CHEMICALS & MICROFIBERS

- At Coolmate, we focus on eliminating hazardous chemicals and controlling microfiber emissions throughout our supply chain, with the aim of reducing environmental impacts and protecting ecosystems.
- Wastewater generated from dyeing and finishing processes is one of the key environmental risk areas in the textile industry. At the same time, microfiber emissions from synthetic fabrics can pose long-term environmental risks if not properly managed.
- We continue to adopt a source-control approach, supported by regular testing, monitoring, and continuous measurement.

## Targets

### 2025

- Eliminate hazardous chemicals from production wastewater
- Control microfiber emissions generated during manufacturing

### Long-term

- 100% of suppliers comply with chemical management standards
- Implement microfiber control measures across the supply chain

## Alignment with Environmental Strategies

- Reduce water pollution and protect water resources
- Prioritize low-impact materials
- Strengthen supply chain compliance across the entire system

## Our Approach

### 01. Eliminating Hazardous Chemicals

- Implement a Restricted Substances List (RSL) for production processes
- Control chemical inputs in accordance with international standards
- Require suppliers to comply with chemical management systems

### 03. Wastewater Discharge Control

- Monitor wastewater quality against industry standards
- Ensure wastewater is free from hazardous chemicals
- Integrate wastewater management requirements into factory approval and assessment systems

### 02. Control During Manufacturing Processes

- Ensure the safe handling, storage, and use of chemicals
- Integrate chemical management requirements into factory assessment processes
- Standardize control measures across all production stages

### 04. Microfiber Control

- Monitor and assess microfiber emissions generated during manufacturing
- Implement filtration and microfiber emission reduction solutions
- Gradually integrate microfiber control standards into supply chain management practices

## Implementation and Management

### Supplier Requirements

- Comply with Restricted Substances Lists (RSLs)
- Maintain comprehensive chemical management systems

### Integration into Operations

- Assess and approve manufacturing facilities
- Conduct periodic audits and inspections

### Data-Driven Management

- Monitor compliance performance
- Drive continuous improvement

## Alignment with International Standards

- Restricted substances lists for the textile industry
- Wastewater management standards
- Guidelines for microfiber control

## 04. PEOPLE

- Current Status
- Targets



# CURRENT STATUS

# COOLMATE PEOPLE

People are at the heart of Coolmate’s sustainable development strategy.

We strongly promote **the participation of women** in leadership and management roles, while fostering **an equitable, inclusive, and empowering workplace**.

At the same time, Coolmate places a strong emphasis on developing internal talent through succession planning, training, and leadership development programs, recognizing these efforts as a key foundation for strengthening governance capabilities and supporting the Company’s long-term growth.

We are committed to building a **diverse, stable, and highly capable workforce**, creating opportunities for all employees to reach their full potential and contribute to the organization. Coolmate maintains a **balanced workforce structure**, with employees who are highly engaged, capable, and equipped with strong professional expertise. Our team is developed through a talent strategy focused on attracting, developing, and retaining talent, enabling us to meet increasingly complex operational requirements and support continued business growth.

**239**

Full-time Employees

**66.67%**

Women in Management

**133.51%**

Workforce Growth (YoY)

**64.15%**

Internal Management Promotion Rate

**53,6%**

Female Workforce Representation

**70%**

Key Talent Retention Rate



# TALENT DEVELOPMENT



## Training Systems and Programs

Coolmate firmly believes that **investing in people development is the foundation for building a sustainable talent pipeline**. Since its early days, the Company has established an **online Learning & Development (L&D)** platform, enabling employees to proactively learn and continuously enhance their capabilities in a flexible and accessible manner. In addition, Coolmate regularly organizes training programs and internal knowledge-sharing initiatives to support employees in developing comprehensive competencies. **100% of employees receive standardized onboarding training directly overseen by the CEO.**



## Competency Framework and Career Development Pathways

At Coolmate, **100% of positions are supported by clearly defined competency frameworks and career development pathways**, enabling employees to understand their current capabilities and identify the skills and experiences needed for future growth. This structured approach not only strengthens professional competencies but also fosters critical thinking, accountability, and leadership capabilities. It serves as a foundation for building a learning organization and **developing a strong talent pipeline for long-term growth.**

# COOLMATE WORKPLACE



Coolmate is committed to fostering a **safe, healthy, and engaging workplace**, where employees are protected, supported, and empowered to achieve their full potential.

In 2025, the Company maintained an accident-free workplace, with 100% of employees receiving annual health check-ups and participating in mandatory insurance programs in accordance with applicable regulations.

Beyond workplace safety and employee welfare, Coolmate is dedicated to creating a positive employee experience through a range of engagement, sports, and cultural initiatives, including:

- Sports clubs and wellness activities
- Regular employee engagement programs
- Team-building activities and internal events

These initiatives contribute to a collaborative and supportive work environment, strengthening employee well-being, engagement, and overall productivity.

Coolmate continues to enhance its workplace by not only ensuring safety but also fostering motivation, meaningful experiences, and long-term employee development.

**0%** LTIFR (LOST TIME INJURY FREQUENCY RATE)

**100%** EMPLOYEES COVERED BY INSURANCE

**100%** EMPLOYEES RECEIVING ANNUAL HEALTH CHECK-UPS

**> 90%** EMPLOYEE PARTICIPATION IN INTERNAL ACTIVITIES

**14.57%** EMPLOYEES ENROLLED IN EXTENDED HEALTH INSURANCE PROGRAMS

# OUR SPORTS CULTURE

At Coolmate, sports are more than just a way to stay active—they are a reflection of our **“BETTER EVERYDAY”** mindset: continuously moving forward and striving to become better each day.

Through internal sports activities, employees are encouraged to improve their physical well-being, maintain a positive lifestyle, and build strong team connections. Shared moments on the field, on the court, and through friendly competition help foster a workplace culture that is collaborative, energetic, and full of enthusiasm.

Coolmate’s sports culture goes beyond events and tournaments. It reflects a spirit of continuous growth, resilience, and self-improvement—both at work and in everyday life.



# OUR SPORTS CULTURE

Badminton helps Coolmate employees develop endurance, agility, and strong concentration skills. Through regular training sessions and friendly competitions, participants are encouraged to maintain an active lifestyle and recharge their energy after work.

The spirit of badminton is not defined by winning or losing, but by the commitment to continuous self-improvement. Every training session, every match, and every step forward reflects the **BETTER EVERYDAY** mindset that Coolmate embraces.

Through badminton, Coolmate encourages employees to build healthier, more balanced, and more positive lifestyles every day.



## NORTHERN REGION CLUB



### BADMINTON CLUB

- Club President: Mr. Phi Duy Hoang Long
- Number of Members: 29
- Number of Activities in 2025: 39



# OUR SPORTS CULTURE

Football is a sport that strongly reflects the spirit of teamwork at Coolmate. Every match is more than just physical activity—it is an opportunity for teammates to collaborate, support one another, and work toward a shared goal.

The spirit of “never giving up” and always striving until the final whistle is a mindset that Coolmatters bring into their daily work. Through coordination, adaptability, and trust, football helps employees maintain positive energy, strengthen team cohesion, and foster meaningful connections across the organization.

**BETTER EVERYDAY** is not only about improving individual skills—it is also about growing together as a stronger team every day.



## NORTHERN REGION CLUB



### FOOTBALL CLUB

- Club President: Mr. Le Đac Tu
- Number of Members: 30
- Number of Activities in 2025: 37



# OUR SPORTS CULTURE

Pickleball brings youthful energy, a modern spirit, and a willingness to embrace new experiences to the Coolmate community. The sport has quickly become a popular activity thanks to its high level of interaction and inclusive nature, making it accessible and enjoyable for players of all skill levels. Through Pickleball, Coolmate promotes a culture of proactivity, adaptability, and a willingness to take on new challenges—qualities that play an important role in the growth and development of both individuals and the organization. The spirit of **BETTER EVERYDAY** is reflected in the willingness to learn, continuously improve, and work together to build a more dynamic, healthier, and stronger community every day.



### NORTHERN REGION CLUB



#### PICKLEBALL CLUB

- Club President: Mr. Nguyen Danh Thinh
- Number of Members: 28
- Number of Activities in 2025: 22



# COOLMATE LIFE COMMITTEE

Current Status

COOLMATE

 SOUTHERN REGION CLUB



## BADMINTON CLUB

- Club President: Mr. Tran Thanh Nguyen
- Number of Members: 19
- Number of Activities in 2025: 42



# COOLMATE LIFE COMMITTEE

 SOUTHERN REGION CLUB



### FOOTBALL CLUB

- Club President: Mr. Nguyen Cong Duc
- Number of Members: 26
- Number of Activities in 2025: 15



# COOLMATE'S 7TH ANNIVERSARY CELEBRATION

To celebrate Coolmate's 7th anniversary (March), the Company organized a series of sports activities to promote the "Better Everyday" culture and enhance employee well-being.

The activities attracted broad participation across the organization, including:

- Offline: Football, badminton, pickleball, table tennis, billiards, tug-of-war, and capture the flag
- Online: Kahoot!, League of Legends, FIFA, and PUBG

These activities not only encouraged physical well-being but also strengthened team spirit, fostered employee engagement, and contributed to a positive and sustainable workplace culture.





# TARGETS

# SOCIAL

Focused on Care & Share and Labor Rights

KPI

- Care & Share
- Compensation and Benefits
- Diversity, Equity & Inclusion (DEI)
- Employee Voice and Engagement

## Implementation Roadmap (2026–2040)

### 2026

- Achieve VND **5 billion in cumulative community contributions for education** and children's development initiatives
- Ensure **100% of partner factories comply with minimum wage requirements**
- Maintain **female representation in leadership positions above 50%**
- Ensure **100% of partner factories provide anonymous grievance channels for workers**

### 2030

- Support the development of at least **10 schools in underserved and remote communities** through the Company's social impact fund
- Ensure **100% of partner factories** implement Living Wage practices
- Promote workforce diversity across **gender, nationality, and religion**
- Digitalize worker rights monitoring systems across partner factories

### 2040

- Become a leading Vietnamese company recognized for **Social Impact**
- Ensure all workers (direct and indirect) have access to **safe and stable housing**
- Build a fully Inclusive Workplace
- Establish direct and democratic dialogue mechanisms between Coolmate and workers

# COOLMATE PEOPLE

Coolmate's people strategy is built upon our core values of customer-centricity, integrity, collaboration, and sustainable development.

We believe that people are the foundation for creating great products, driving operational excellence, and building lasting trust with our customers and partners.

Our people strategy is implemented across the entire value chain, including offices, warehouses, and partner factories. We are committed to developing our workforce based on the principles of:

Transparency – Accountability – Development –  
Continuous Improvement

## Targets

### Our Approach

#### Performance and Accountability System



- Performance evaluation based on data
- Align individual goals with business objectives

#### Capability & Leadership Development

- Standardize competencies for each function
- Training in Lean, manufacturing, and operations management
- Develop internal leaders based on clearly defined behavioral standards

### Implementation and Management

#### Integrated Across the Entire Value Chain:

Offices, warehouses, and partner factories

#### System Standardization:

- Roles & Responsibilities
- KPIs & Performance Evaluation
- Operating Procedures

#### Leadership:

- Lead by example in integrity and accountability
- Make data-driven decisions
- Take ownership of final outcomes

#### Workplace Culture & Collaboration

- Foster a culture of openness, accountability, and teamwork
- Encourage feedback and continuous improvement
- Recognize employee contributions and achievements

#### Fair and Safe Workplace

- Zero discrimination and harassment
- Ensure employee health and occupational safety
- Provide equal development opportunities for all employees

### Mục tiêu

#### 2026:

- 100% of employees evaluated through a standardized performance management system
- 100% of managers adopt data-driven management practices

#### Long-term (2030):

- Develop a strong internal leadership pipeline
- Standardize human resources systems across the value chain
- Build a sustainable high-performance culture

# Talent Development

Coolmate has established a talent development strategy to ensure a workforce with the capabilities, mindset, and alignment needed to deliver the Company’s core values: **customer-centricity, integrity, collaboration, and continuous improvement.** We focus on developing internal talent through a structured approach centered on standardization, measurement, and continuous improvement, thereby enhancing operational effectiveness and supporting sustainable growth.

## Our Approach

### System

Standardize career development pathways and competency management.  
Implement a Learning Management System (LMS) and competency framework for all employees.

#### Integrated with:

- Performance evaluation
- Training and development
- Career development pathways

#### Ensuring that:

- Every employee has a clear development pathway
- Competency assessments are applied consistently across the organization

### Targets

#### 2026

- 100% of employees have an individual development pathway

#### 2030

- 100% of employees are managed through a standardized competency management system

### Capability

Develop capabilities aligned with Coolmate’s core values:

- **Customer-Centricity:** Build product thinking and customer experience capabilities
- **Integrity:** Strengthen independent decision-making and accountability
- **Collaboration:** Develop teamwork and effective communication skills
- **Continuous Improvement:** Encourage learning, adaptability, and continuous improvement

#### Focus Areas:

- Functional capabilities
- Leadership capabilities

### Targets

- **2027:** 50% of management positions filled through internal talent development
- **2030:** 70% of management positions filled through internal talent development

### Impact

Link talent development to business performance.

- Connect training activities with business KPIs
- Measure training effectiveness through improvements in work performance and reductions in operational errors and risks

#### Targets

- **2026:** 100% of training programs have defined effectiveness measurement indicators
- **2030:** Training becomes a key driver of organizational performance improvement

## Long-term Targets (2030)

- Invest in emission reduction technologies
- Strengthen collaboration with suppliers
- Implement supplier preference mechanisms based on ESG performance

## Commitment

- Coolmate is committed to investing in people as a core driver of long-term value creation.
- We are dedicated to building an organization where every individual has the opportunity to grow, be recognized, and contribute to the Company’s sustainable success.

# COOLMATE WORKPLACE

## Our Approach

### Occupational Health and Safety

- Build a proactive safety management system focused on prevention
- Implement near-miss reporting and potential risk identification mechanisms
- Conduct annual health check-ups and employee well-being programs
- Ensure appropriate working conditions and protective equipment for each role

### Employee Welfare and Protection

- Ensure 100% employee participation in statutory insurance programs
- Maintain transparent and fair welfare policies
- Promote work-life balance
- Provide support for employees during periods of high work pressure

### Positive Workplace Culture

- Foster a respectful workplace free from harassment and discrimination
- Encourage open communication and constructive feedback
- Strengthen employee engagement and team cohesion
- Promote psychological safety, where employees feel comfortable speaking up and sharing ideas

### Prevention and Continuous Improvement

- Conduct regular workplace risk assessments
- Establish real-time feedback and issue resolution mechanisms
- Make data-driven decisions on employee-related matters
- Standardize and digitize HR processes

Coolmate is committed to building a safe, transparent, and high-performing workplace, where every employee is protected, respected, and empowered to grow sustainably.

We believe that the workplace is not only a component of employee well-being but also a fundamental driver of productivity, operational excellence, and the long-term resilience of the organization.

Our workplace strategy is built upon four core principles:

## **Safety – Risk Prevention – Transparency – Continuous Improvement**

## Targets

### 2025

- ≥ 90% of employees participate in physical and mental well-being programs
- ≥ 85% of employees provide positive feedback on the workplace environment
- ≥ 80% of HR processes are standardized and digitized

### Long-term Targets

- Sustain zero serious workplace accidents
- ≥ 95% of preventive actions are completed on time
- eNPS ≥ +60 (top-tier benchmark among companies in the region)
- Voluntary turnover rate ≤ 8%
- 100% of managers receive training in leadership and people development
- ≥ 60% of management positions are filled through internal promotions
- 100% of people-related decisions are supported by data
- ≥ 95% of HR processes are fully digitized
- ≥ 80% of employees perceive the workplace as psychologically safe

## Implementation and Management

Applied across all Coolmate employees, regardless of role, department, or work location.

## Alignment with ESG Strategy

- Social: Ensure employee health, safety, and a positive employee experience
- Environmental: Maintain operational efficiency and employee engagement
- Governance: Promote transparency, compliance, and data-driven decision-making

# DIVERSITY, EQUITY & INCLUSION



# EMPOWERING WORKERS ACROSS THE SUPPLY CHAIN

Coolmate is committed to enhancing the capabilities, well-being, and voice of workers throughout our supply chain, recognizing these as essential foundations for building a sustainable, resilient, and high-performing supply chain.

Workers play a critical role in determining product quality and operational excellence. Investing in skills development, health, and working conditions not only reduces operational risks but also creates long-term competitive advantages.

We are guided by three core principles:

**Empowerment – Capability Building – Improved Living Conditions**

## 01 Skills Development

- Provide technical and soft skills training
- Strengthen supervisory and frontline leadership capabilities
- Expand access to development opportunities

## 03 Improving Welfare and Living Conditions

- Promote safe and sustainable livelihoods
- Support health, nutrition, and essential welfare benefits
- Improve access to essential services

## 02 Strengthening Worker Voice

- Establish feedback and grievance mechanisms
- Ensure a transparent and fair working environment
- Encourage workplace dialogue and communication

## 04 Expanding Impact Through Partnerships

- Collaborate with development organizations and social impact partners
- Scale programs across key manufacturing facilities
- Implement internal training models within factories



## Implementation and Management

### Integrated into the Supply Chain:

- Supplier assessments
- Labor conditions

### Measuring Impact:

- Number of workers reached through the programs
- Improvements in working conditions

### Scaling Up:

- Expand program implementation year by year

## Targets

- 2026: Expand the programs to key manufacturing facilities
- 2030: The majority of workers across the supply chain have access to development programs, contributing to meaningful improvements in working conditions and employee welfare

## Alignment with ESG Strategy

- Social: Protect workers' rights and enhance employee welfare
- Supply Chain: Strengthen supply chain resilience and operational capability
- Governance: Promote higher standards of social responsibility

## Alignment with International Standards

- International labor standards
- Occupational health and safety guidelines for the textile industry
- Working conditions assessment frameworks

# SAFE WORKPLACES

Coolmate is committed to ensuring a safe and healthy working environment throughout the supply chain, minimizing risks, protecting workers, and maintaining stable operations.

Occupational safety is a fundamental prerequisite for ensuring product quality and the continuity of the supply chain. Compliance with safety standards helps reduce incidents, minimize operational disruptions, and improve overall operational efficiency.

We are guided by three core principles:  
Prevention – Compliance – Continuous Improvement

## Our Approach

### Ensuring Compliance with Safety Standards

- Apply standards for occupational safety, fire prevention and protection, electrical safety, and factory structure safety
- Require suppliers to comply with all applicable legal and industry requirements

### Risk Assessment and Control

- Conduct periodic workplace safety assessments
- Identify and manage critical safety risks
- Integrate safety criteria into factory approval processes

### Corrective Actions and Continuous Improvement

- Require corrective actions for identified issues
- Monitor improvement progress
- Support suppliers in strengthening safety management capabilities

### Scaling Standards Across the Supply Chain

- Apply safety standards across key supplier factories
- Expand assessment coverage in phases
- Harmonize safety standards throughout the system

## Alignment with International Standards

- International occupational health and safety standards
- Occupational safety guidelines for textile manufacturing facilities
- Working conditions assessment frameworks

## Implementation and Management

### Integrated into the Supply Chain

- Supplier assessments
- Supplier approval and cooperation processes

### Measuring Effectiveness

- Percentage of suppliers meeting safety standards
- Number of incidents and level of risk exposure

### Continuous Improvement

- Conduct periodic inspections and assessments
- Update standards in line with international best practices

## Alignment with ESG Strategy

### Social

- Protect worker health and safety

### Supply Chain

- Reduce operational disruptions

### Governance

- Strengthen compliance and risk management

## Targets

### 2025

- 100% of suppliers meet basic safety standards

### Long-term Targets

- Continuously enhance safety standards in line with international best practices
- Reduce operational incidents and risks

# ETHICAL RECRUITMENT

Coolmate is committed to eliminating recruitment fees for workers throughout its supply chain, ensuring compliance with labor rights requirements and reducing labor-related risks.

Migrant workers play an important role in the garment industry, yet they are often exposed to higher risks associated with recruitment costs and debt. Eliminating such fees is a fundamental step toward building a more responsible and sustainable supply chain.

We are guided by three core principles:

Employer Pays – Transparency – Strong Oversight

## Our Approach

### No Recruitment Fees

- Apply the Employer Pays Principle
- Commit to ensuring that workers do not bear recruitment costs
- Require full compliance from suppliers

### Monitoring and Assessment

- Conduct recruitment practice assessments at supplier facilities
- Integrate recruitment due diligence into supplier approval processes
- Identify risks related to migrant workers

### Remediation and Reimbursement

- Require reimbursement of recruitment fees when violations are identified
- Ensure timely and transparent repayment
- Monitor and verify remediation outcomes

### Awareness and Capacity Building

- Train suppliers on ethical recruitment practices
- Promote transparency throughout the recruitment process
- Collaborate with specialized organizations and experts

## Alignment with ESG Strategy

### Social

- Protect workers' rights and interests

### Supply Chain

- Reduce labor-related risks

### Governance

- Enhance transparency and compliance

## Implementation and Management

### Integrated into the Supply Chain

- Supplier assessments
- Contractual requirements

### Measuring Effectiveness

- Compliance rate with the no-fee recruitment policy
- Number of recruitment fee reimbursement cases

### Ongoing Monitoring

- Conduct periodic assessments
- Drive continuous improvement through data analysis

## Targets

### 2025

- 100% of workers do not pay recruitment fees

### Long-term Targets

- Eliminate all recruitment fee-related risks
- Maintain compliance across the entire supply chain

## Alignment with International Standards

- Employer Pays Principle
- Standards on migrant worker rights
- Ethical recruitment assessment frameworks

# WORKER VOICE

Coolmate is committed to ensuring that workers throughout the supply chain have the opportunity to raise concerns and contribute to workplace improvements, thereby enhancing working conditions and operational performance.

A workplace that encourages effective dialogue helps reduce violations, improve labor relations, and increase productivity. This is a fundamental element in building a stable and sustainable supply chain.

We are guided by three core principles:  
Representation – Dialogue – Transparency

## Our Approach

### Establishing Worker Representation Mechanisms

- Establish worker representative groups within factories
- Ensure balanced representation between workers and management
- Strengthen channels for raising workplace concerns

### Promoting Workplace Dialogue

- Conduct regular dialogue sessions between workers and management
- Focus discussions on key issues, including safety, working conditions, and employee welfare

### Capability Building

- Provide training in dialogue and problem-solving skills
- Develop capabilities for both workers and managers
- Implement train-the-trainer models within factories

### Grievance and Resolution Mechanisms

- Establish clear grievance procedures
- Protect workers when raising concerns
- Ensure transparent and timely resolution of issues

## Alignment with ESG Strategy

### Social

- Strengthen workers' rights and participation

### Supply Chain

- Improve operational stability

### Governance

- Enhance transparency and accountability

## Implementation and Management

### Integrated into the Supply Chain

- Supplier assessments
- Labor conditions

### Measuring Effectiveness

- Percentage of workers represented through formal mechanisms
- Level of participation in workplace dialogue

### Independent Verification

- Assess the effectiveness of dialogue mechanisms
- Drive improvements based on data and findings

## Targets

### 2025

- 100% of workers at key supplier facilities have access to worker representation mechanisms

### Long-term Targets

- Improve the quality and effectiveness of workplace dialogue
- Enhance working conditions through direct worker feedback

## Alignment with International Standards

- Principles of social dialogue
- Labor rights standards
- Workplace dialogue assessment frameworks

# LIVING WAGES

Coolmate is committed to ensuring that workers throughout its supply chain receive fair compensation and progress toward living wages, helping to improve quality of life, strengthen workforce stability, and support sustainable business operations.

We believe that living wages are not only an ethical responsibility but also a key driver of sustainable business performance:

- Sustain productivity and product quality
- Reduce workforce turnover
- Build a stable and resilient supply chain

We are guided by three core principles:

Transparency – Collaboration – Continuous Improvement

## Our Approach

### Ensuring Wage Compliance and Transparency

- Collect and monitor wage data regularly across manufacturing facilities
- Benchmark wages against legal requirements and internationally recognized living wage benchmarks
- Require suppliers to ensure full, timely, and transparent wage payments

### Assessing and Measuring Wage Gaps

- Analyze the gap between actual wages and living wage levels
- Apply internationally recognized methodologies (Anker Methodology / Global Living Wage Benchmark)
- Prioritize assessments in key sourcing countries

### Promoting Industry Collaboration

- Participate in industry initiatives that support the advancement of living wages
- Encourage dialogue among factories, workers, and labor unions (where applicable)
- Support appropriate collective bargaining mechanisms

### Driving Improvement Through Responsible Purchasing Practices

- Adjust purchasing practices to help offset labor cost pressures where appropriate
- Avoid excessive price pressure that could negatively impact workers' incomes
- Build long-term partnerships with suppliers

## Implementation and Management

- Integrated into the Supply Chain
- Incorporate wage criteria into supplier assessments
- Include wage-related requirements in supplier selection and retention processes
- Measuring Effectiveness
- Percentage of suppliers providing transparent wage data
- Percentage of suppliers assessed for wage gaps
- Improvement in worker income over time
- Continuous Improvement
- Conduct periodic data reviews
- Update benchmarks in line with international standards
- Support suppliers in developing improvement roadmaps

## Liên kết với chiến lược ESG

### Social

- Improve workers' income and quality of life

### Supply Chain

- Strengthen supply chain stability and reduce disruption risks

### Governance

- Promote transparency and responsible business practices

## Targets

### 2025

- 100% of key suppliers provide transparent wage data
- Complete living wage gap assessments in key sourcing countries

### Long-term Targets

- Expand living wage implementation across the entire supply chain
- Promote industry collaboration and collective bargaining mechanisms

## Alignment with International Standards

- Global Living Wage Standard (Global Living Wage Coalition)
- Anker Methodology for Living Wage Calculation
- ILO Principles on Wages
- Garment Industry Practices on Wages and Working Conditions

# SUPPLIER ASSESSMENT & SELECTION

Coolmate is committed to building a responsible supply chain, ensuring that all suppliers comply with environmental and social standards to minimize risks and support sustainable development.

We believe that supplier assessment serves as the foundation for:

- Managing ESG risks across the supply chain
- Ensuring compliance with international standards
- Building long-term and transparent partnerships

We are guided by three core principles:

**Standardization – Measurement – Continuous Improvement**

## Our Approach

### Ensuring ESG Compliance

Apply a Supplier Code of Conduct requiring compliance with:

- Local legal requirements
- International labor standards
- Environmental standards for the textile industry

Mandatory assessments are conducted before onboarding new suppliers.

### Environmental Assessment

Assess environmental performance at manufacturing facilities, including:

- Energy, water, and greenhouse gas emissions
- Chemical and waste management

Use standardized assessment systems (e.g., Higg FEM or equivalent).

Classify compliance levels based on established assessment criteria.

### Social Assessment

Assess labor conditions, including:

- Wages and benefits
- Working hours
- Health and safety

Apply industry-recognized frameworks (SLCP or equivalent).

Establish baselines and conduct periodic monitoring.

### Supplier Performance Management

Classify suppliers based on their level of compliance:

- Compliant
- Requires Improvement
- Non-Compliant (not approved for production)

Link assessment results to business decisions, including:

- Order allocation
- Continuation or termination of supplier relationships

## Implementation and Management

- Integrated into the Supply Chain
- Integrate ESG assessments into supplier selection processes
- Make ESG performance a mandatory criterion for supplier approval and continued engagement
- Measuring Effectiveness
- Percentage of suppliers meeting ESG standards
- Percentage of suppliers subject to periodic assessments
- Improvement in assessment scores over time
- Continuous Improvement
- Require Corrective Action Plans (CAPs) for identified issues
- Monitor improvement progress
- Support suppliers in strengthening their capabilities

## Alignment with ESG Strategy

- Environmental: Reduce environmental impacts in manufacturing operations
- Social
- Ensure fair working conditions and respect for human rights
- Governance
- Enhance transparency and supply chain risk management

## Targets

### 2026

- 100% of key suppliers undergo ESG assessments
- 100% of new suppliers are assessed prior to onboarding

### 2030

- 100% of suppliers meet environmental standards
- 100% of suppliers meet social standards

A woman with long brown hair, wearing a beige headband and a white long-sleeved top, is looking at a blue dress hanging on a rack in a clothing store. She is holding the dress with both hands. In the foreground, the back of a person's head and shoulder is visible, holding a smartphone up to take a photo of the woman and the dress. The store has white racks filled with various clothing items, including white shirts and blue dresses.

# CUSTOMERS & MARKET

## Serving Diverse Customer Needs

We are committed to developing products, services, and brand experiences that are more accessible and better aligned with the evolving needs of modern Vietnamese consumers.

- Develop product portfolios based on market insights and practical customer needs, with a focus on comfort, accessibility, and the ability to serve diverse customer segments.
- Adopt a customer-centric approach to product design, development, and communication, reflecting a wide range of lifestyles, age groups, and everyday needs.
- Enhance the shopping experience through digital platforms, ensuring products and services are easily accessible and enabling broader consumer engagement with the brand.
- Strengthen customer listening and feedback mechanisms to continuously improve products and services, making them more inclusive and responsive to market needs.

# 05. COMMUNITY IMPACT

- Current Status
- Targets



# CURRENT STATUS

# Care & Share

## Achievements to Date

**85,435**

Customers have participated in the Care & Share initiative

**134,000**

Care & Share products sold

**>3B VNĐ**

Contributed by customers, partners, and Coolmate employees to support community initiatives. The journey continues.

**21**

Community projects implemented



Flagship Care & Share Project 2025

# Building Schools Through “Future Launch Station”

Future Launch Station is a community initiative launched by VNO with the mission of improving educational opportunities and learning conditions for children in underserved areas.

Each season, the project mobilizes resources to deliver meaningful support, including building classrooms, student housing, playgrounds, renovating school facilities, and organizing educational and enrichment activities for children.

Raised to support school construction and improvement

>200M

Students supported

369

Schools built or renovated

3



Flagship Care & Share Project 2025

# Yearbook Photos for Highland Students

This project was initiated by Lưu Minh Khương, a member of the Tày ethnic community, inspired by his childhood memories of never having a proper school photo.

He understands that, while school uniforms may fade and notebooks may wear out over time, a photograph remains a lasting keepsake that preserves a student's school years. With that belief, "Yearbook Photos for Highland Students" was created to help children in remote and underserved communities across Vietnam preserve meaningful memories of their childhood.

Raised in support of the project

**250M**

Students received and preserved school-year memories through the program

**>900**



Flagship Care & Share Project 2025

# Operation Smile – Cleft Lip and Palate Surgery Program

**Operation Smile** is a leading international medical nonprofit organization dedicated to providing free surgeries for children born with cleft lip and cleft palate conditions. Beyond surgery, Operation Smile delivers comprehensive care through post-operative support, medical screenings, nutritional counseling, and speech therapy, helping children achieve healthier and more confident lives.

Raised to support life-changing surgeries

200M

Surgical programs and fundraising events supported

26

Children received corrective surgeries and renewed smiles

20



Flagship Care & Share Project 2025

# A WARM WINTER COAT

In 2025, communities across Vietnam continued to face the impacts of severe natural disasters, including floods and landslides, which significantly affected livelihoods, especially children living in cold and disaster-affected regions.

Inspired by the spirit of sharing and solidarity, the A Warm Winter Coat initiative was launched to provide new clothing and bring warmth to children affected by natural disasters as winter approached.

Raised to produce and deliver support through the project

>276M

Products donated

>40K

Cash contributions provided to support disaster-affected communities

200M

Provinces and Cities supported through the initiative

16



# TARGETS

CARE&SHARE

# COMMUNITY SUPPORT AND PHILANTHROPY

## Our Approach

### Healthcare Support and Assistance for Vulnerable Communities

- Implement fundraising initiatives to support medical treatment for children in need
- Partner with healthcare organizations to help reduce the financial burden on families

### Disaster Response and Emergency Relief

- Provide timely support to communities affected by natural disasters
- Launch community relief initiatives during emergency situations

### Education and Youth Development

- Collaborate with educational programs to expand learning opportunities
- Support initiatives that develop skills and future aspirations for children and young people

### Economic Empowerment and Social Inclusion

- Partner with social enterprises that create products with vulnerable groups
- Generate sustainable income opportunities for people with disabilities through inclusive production programs

### Employee and Community Engagement

- Organize community activities for employees and their families
- Encourage employee participation in volunteer and community programs

Coolmate is committed to creating value beyond business through community support, education, and social development initiatives.

We focus on:

- Supporting vulnerable and underserved communities
- Advancing education and youth development
- Responding promptly to natural disasters and humanitarian crises
- Creating sustainable economic opportunities for communities

## Implementation and Management

- Implement programs through internal initiatives and partnerships with social organizations
- Prioritize initiatives with long-term impact and strong scalability potential
- Ensure transparency in the allocation and use of resources

## Alignment with ESG Strategy

### Social

- Support communities and improve quality of life

### Economic

- Create income-generating opportunities for vulnerable groups

### Governance

- Promote transparency and accountability in social impact initiatives

## Targets

### 2026

- Implement at least 3–5 flagship community programs each year
- Achieve ≥70% employee participation in community initiatives
- Ensure 100% of programs are monitored and evaluated for effectiveness

### 2030

- Establish a portfolio of long-term flagship community programs focused on:
  - Education
  - Sustainable livelihoods
  - Support for vulnerable groups
- Allocate ≥70% of community investment to long-term programs rather than one-off activities
- Deliver measurable social impact, including:
  - Number of beneficiaries reached
  - Income generated
  - Number of education programs sustained
- Integrate community impact initiatives into Coolmate's brand and sustainability strategy

# 06. TRANSPARENT GOVERNANCE

- Current Status
- Targets



# CURRENT STATUS



## 1. Governance Principles at Coolmate

Coolmate’s governance framework is built on three core principles: Transparency – Accountability – Effectiveness. We believe that sustainable growth is driven not only by business performance but also by strong governance practices and integrity in operations.

### Transparency in Operations

All business, financial, and operational activities are monitored through regular reporting systems and real-time data dashboards.

Key performance indicators, including revenue, profit margins, inventory levels, and channel performance, are tracked and managed transparently across product categories and sales channels.

### Clear Accountability

Each department and management level is directly accountable for specific P&L responsibilities and KPIs. Our governance framework empowers timely decision-making while maintaining effective risk oversight and control.

### Operational Effectiveness

We apply a data-driven management approach and the OKR framework to optimize resources, reduce waste, and improve organizational productivity.

### 2. Compliance and Business Ethics

Coolmate is committed to operating in full compliance with applicable laws and maintaining the highest standards of business ethics.:

Comply with all legal and regulatory requirements in Vietnam and the international markets where we operate.

Develop and implement a Code of Conduct applicable to all employees and business partners.

Establish a Supplier Code of Conduct to ensure that supply chain partners comply with standards related to labor, environmental responsibility, and transparency.

Maintain a zero-tolerance approach to corruption, fraud, and any form of non-transparent business practices.

In addition, Coolmate is progressively aligning its governance framework with international best practices, particularly as the Company expands across Southeast Asia and global markets.

### 3. Governance Structure and Oversight

Coolmate’s governance framework is designed to ensure effective oversight, accountability, and transparency at every level of the organization.

#### Leadership Team & Board of Directors (BOD)

Provide strategic direction, oversee business operations, and ensure that major decisions align with the Company’s long-term objectives.

#### Regular Reporting Mechanisms

- Daily Dashboard:** Monitor operational performance and key business metrics
- Weekly Business Review (WBR):** Review business performance and progress
- Monthly P&L Review:** Monitor financial performance by product category and sales channel
- Semi-Annual & Annual Reviews:** Evaluate strategic execution and business direction

#### Transparency with Investors

Coolmate maintains regular reporting and open communication with investors regarding business performance, key risks, and future development plans.

## 4. Risk Management and Sustainability

Coolmate proactively strengthens its risk management capabilities to support stable and sustainable long-term growth.

### Financial Risk Management

- Closely monitor cash flow, inventory levels, and profit margins
- Develop financial scenarios and contingency plans through scenario planning

### Operational Risk Management

- Leverage technology (RFID, ERP, AI) to improve accuracy and reduce operational errors
- Establish and maintain standardized operating procedures (SOPs) across the organization

### Market Risk Management

- Diversify sales channels (online, offline, and global markets)
- Reduce dependence on any single market or revenue source

### Business Continuity Planning (BCP)

- Prepare response scenarios for macroeconomic changes, supply chain disruptions, and shifts in market demand
- Ensure business continuity and operational resilience during periods of uncertainty



# TARGETS

# GOVERNANCE

**Vision:** To build Coolmate into a Vietnamese company with world-class governance standards, driven by transparency, accountability, and operational excellence.

## Roadmap (2026–2040)

2026

- Standardize governance and reporting systems (P&L, Dashboards, and OKRs)
- Enhance transparency of financial and operational data
- Establish a risk management framework and Business Continuity Planning (BCP)
- Target State: Data-driven organization with strong growth control and governance

2030

- Adopt international standards (IFRS, Big Four Audit)
- Achieve comprehensive transparency across financial, operational, and ESG performance
- Strengthen governance through an independent Board of Directors (BOD) and Audit & Risk Committee
- Build a robust Investor Relations (IR) and disclosure framework
- Target State: Operate with the transparency and governance standards of a public company

2040

- Achieve world-class governance standards with an internationally experienced Board of Directors
- Embed ESG as a core business strategy
- Implement AI-enabled and real-time data-driven governance
- Target State: A regional benchmark for transparency, governance excellence, and long-term sustainability

### Long-Term Strategy and Growth Governance

Governance at Coolmate is focused not only on current performance but also on building a foundation for sustainable long-term growth through:

- Executing the Go Global, Go Women, and Go Offline growth strategies
- Investing in technology and Artificial Intelligence (AI) as core business capabilities
- Building scalable operating systems that can support regional and global expansion
- Maintaining a balanced approach to growth, profitability, and cash flow

### Transparency and Accountability to Stakeholders

Coolmate is committed to maintaining transparency with all stakeholders:

- Customers: Transparency in products, pricing, and product origins
- Employees: A fair workplace with clear development opportunities
- Partners: Transparent and mutually beneficial collaboration
- Investors: Comprehensive, accurate, and responsible disclosure

### Future Direction

**Looking ahead, Coolmate aims to:**

- Align governance systems with international standards (ESG, compliance, and audit)
- Enhance supply chain transparency and traceability
- Expand the application of AI in governance and decision-making
- Establish Coolmate as a Vietnamese company with global governance standards

# GRIEVANCE MANAGEMENT

## Fairness – Transparency – Accountability

At Coolmate, we have established a grievance management system to ensure transparency, fairness, and accountability in addressing concerns raised by both customers and employees.



Coolmate receives customer feedback and complaints through multiple channels, including the website, hotline, social media platforms, e-commerce marketplaces, and retail stores.

- Open and transparent communication
- Timely responses in accordance with agreed Service Level Agreements (SLAs)
- Fair and effective resolution, with customer interests as a priority
- Capturing and utilizing feedback to continuously improve products and customer experience

For employees, grievance reporting channels are available through:

- Internal communication and HR channels
- Whistleblowing mechanisms with anonymous reporting options
- Anti-retaliation measures to protect individuals who raise concerns

Coolmate believes:

Effective grievance handling and resolution form the foundation of trust and sustainable governance.

# GRIEVANCE AND FEEDBACK MECHANISM

“Coolmate has established a grievance and feedback management system to ensure that all concerns are properly recorded, addressed, and improved in a timely manner.”

## 01 Mechanism

- Direct and anonymous feedback channels
- Reports received through managers, HR, and internal communication channels

## 03 Implementation

- 100% of feedback is recorded and categorized
- Assigned personnel responsible for handling cases
- Follow-up until issues are fully resolved

## 02 Oversight

- Information confidentiality
- Non-discrimination
- Transparent handling and resolution

## 04 Targets (2030)

- ≥95% of grievances resolved within the required timeframe
- 100% of feedback systems digitized
- Increase employee trust in the grievance and feedback system

# 07. REFERENCE FRAMEWORKS



# ESG REFERENCE FRAMEWORKS

Coolmate has developed its ESG governance and disclosure framework based on internationally recognized standards, including GRI Standards, SASB, TCFD, and IFC Performance Standards, to ensure transparency, comparability, and relevance to the apparel industry.

## DISCLOSURE STANDARD (GRI STANDARDS)

Coolmate’s ESG Report has been prepared with reference to the GRI Standards (2021), focusing on the Company’s most material topics.

### GRI 2: GENERAL DISCLOSURES

Topic	Application at Coolmate
Organizational Profile	Information on the Company, business activities, and supply chain
Employees	Total workforce and employee composition
Governance	Governance structure and ESG responsibilities

### GRI 3: MATERIAL TOPICS

Topic	Application at Coolmate
Xác định chủ đề trọng yếu	Based on environmental, social, and business impacts
Management of Material Topics	Integrated into the ESG strategy

### GRI 200: ECONOMIC TOPICS

GRI 201	Economic value generated and distributed
GRI 201	Economic value generated and distributed

### GRI 300: ENVIRONMENTAL TOPICS

GRI Standard	Topic	Application at Coolmate
GRI 301	Materials	Sustainable materials
GRI 302	Energy	Electricity consumption
GRI 303	Nước	Water management
GRI 305	Emissions	Scope 1, 2, and 3 GHG emissions
GRI 306	Waste	Waste management and reduction

### GRI 400: SOCIAL TOPICS

Chỉ số	Topic	Application at Coolmate
GRI 403	Occupational Health and Safety	LTIFR, employee health and safety
GRI 404	Training & Education	Training hours
GRI 405	Diversity and Equal Opportunity	Female representation
GRI 414	Supplier Social Assessment	ESG supplier assessments

# SASB INDUSTRY STANDARD (APPAREL)

Coolmate references the SASB Apparel, Accessories & Footwear Standard to identify and disclose ESG metrics that are most relevant to the industry.

## Topics

- Chemicals
- Supply Chain Environment
- Labor
- Materials
- Traceability

## Application

- Supplier Guidelines
- Factory Assessments
- Audits
- Partial Implementation
- Supplier Management

## Key Areas

- RSL/MRSL Management
- Factory Assessments
- Working Conditions
- Material Sourcing
- Supply Chain Transparency

## CLIMATE GOVERNANCE - TCFD

Coolmate references the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in its climate risk governance approach. The Company is progressively integrating climate-related risks and opportunities into its business strategy in alignment with the TCFD framework.

01

### Governance

ESG oversight and climate-related governance at the executive level.

02

### Strategy

Assessment of climate-related impacts on business operations and long-term strategy.

03

### Risk Management

Identification, assessment, and management of climate-related risks.

04

### Metrics & Targets

Greenhouse gas emissions, energy consumption, and climate-related performance indicators.

# IFC PERFORMANCE STANDARDS

Coolmate applies the IFC Performance Standards as a framework for ESG risk management across its supply chain, ensuring alignment with international standards on labor, environmental responsibility, and business ethics.

**PS1**

**Assessment and Management of Environmental and Social Risks and Impacts**

- Internal ESG management systems
- Supplier assessments

**PS2**

**Labor and Working Conditions**

- No child labor
- No forced labor
- Safe working conditions

**PS3**

**Hiệu quả tài nguyên**

- Năng lượng
- Nước
- Phát thải

**PS4**

**Community Health, Safety, and Security**

- Product safety
- Operational safety

**PS5**

**Land Acquisition and Involuntary Resettlement**

Not applicable

**PS6**

**Biodiversity Conservation and Sustainable Management of Living Natural Resources**

Indirectly addressed through material sourcing practices

**PS7**

**Indigenous Peoples**

Not applicable

**PS8**

**Cultural Heritage**

Not applicable



# SDGS - SUSTAINABLE DEVELOPMENT GOALS

Coolmate references the United Nations Sustainable Development Goals (SDGs) to guide its ESG initiatives and ensure positive contributions to society and the environment.

SDG	Focus Area	Coolmate Alignment
SDG 3	Good Health and Well-being	Occupational health and safety
SDG 5	Gender Equality	Female representation in management
SDG 8	Decent Work and Economic Growth	Labor and working conditions
SDG 12	Responsible Consumption and Production	Sustainable materials and packaging
SDG 13	Climate Action	Emissions reduction
SDG 16	Peace, Justice and Strong Institutions	Anti-corruption



# SUMMARY OF ESG REFERENCE FRAMEWORKS

Coolmate integrates internationally recognized ESG frameworks to build a comprehensive and sustainable governance system, including:



## SDGs của LHQ

Aligning sustainability initiatives with long-term social, environmental, and economic development priorities.



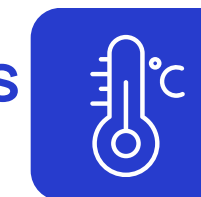
## GRI

Ensuring transparency, consistency, and comparability in ESG disclosures.



## IFC Performance Standards

Managing environmental and social risks across operations and the supply chain in line with international best practices.



## TCFD

Integrating climate-related risks and opportunities into governance, strategy, risk management, and performance measurement.

The integrated application of these frameworks helps Coolmate strengthen its governance capabilities, meet stakeholder expectations, and build a strong foundation for sustainable long-term growth.

# THANK YOU!

[esg@coolmate.me](mailto:esg@coolmate.me)

