SAKATA INX
Visual Communication Technology

SAKATA INX VIETNAM

No. 33 Tu Do Avenue, Viet Nam – Singapore
Industrial Park, Thuan Giao Ward,
Ho Chi Minh City

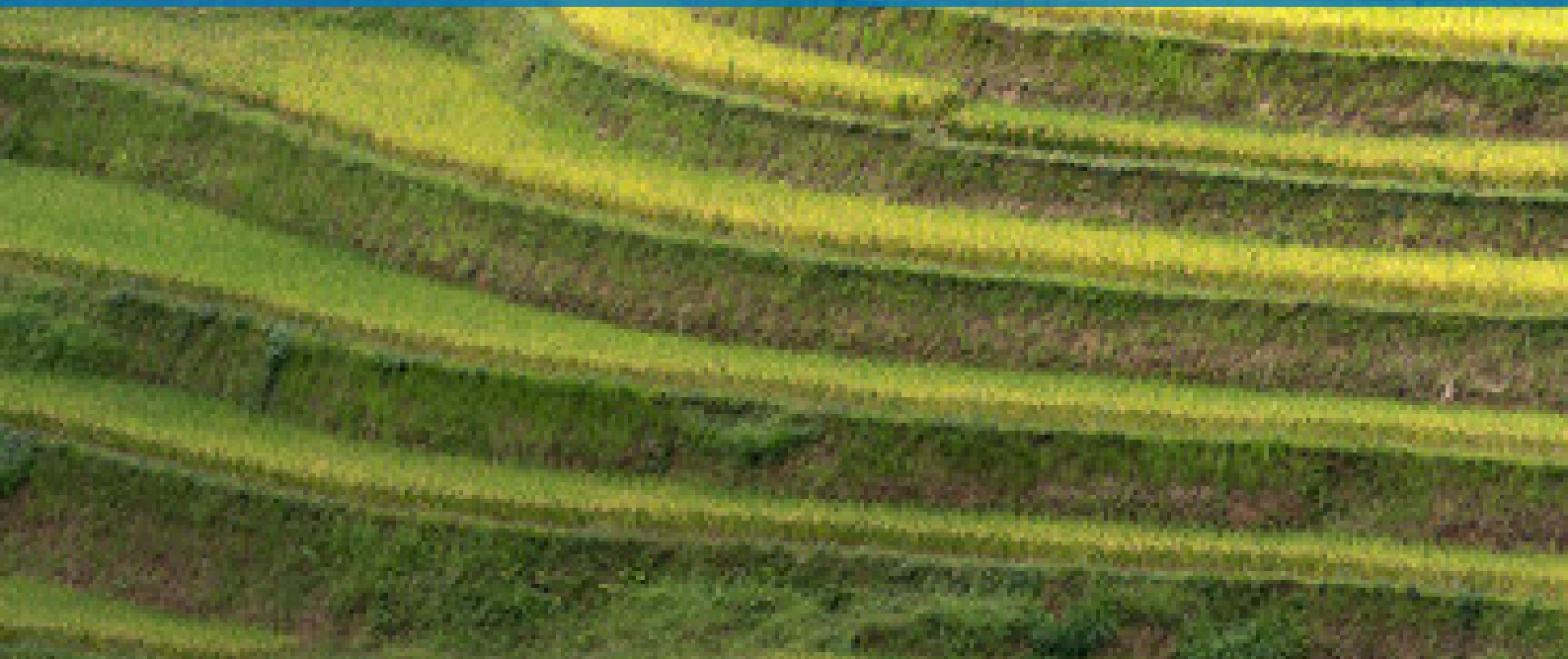
www.inx.com.vn

INTERNAL

CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT

MIND WITHIN THE MIND

2024



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ABOUT
THIS REPORT

The primary objective of this report is to demonstrate of our commitment to sustainable development, and as a step towards building trust and strengthening engagement with our stakeholders. Through this report, we aim to provide comprehensive and reliable information about our performance, practices, and long-term vision. This report is for informational purposes only and is not intended as an offer or invitation to invest in the company.

For the purpose of clarity and readability, throughout this report, the company may be referred to in various forms, including “we,” “us,” “our,” “SIV,” or “the Company.” All of these terms are intended to refer to the same legal entity and its operations.

Reference materials

This report has been prepared in accordance with the GRI Standards and aligns with the Sakata Inx Vietnam Co.,Ltd’s ongoing efforts to promote transparency, ethical business practices, and sustainable development. In addition to the GRI Standards, we also refer to the United Nations Sustainable Development Goals (SDGs) as a guiding framework in our sustainability strategy and reporting process.

Report Scope

This report has been compiled and prepared by the Sustainability Department and approved by the General Director of Sakata Inx Vietnam. This report is scheduled for release annually every December. The report will use data from the preceding calendar year. The contents of this report cover activities within Vietnam, as well as updates from the parent company, Sakata Inx Group in Japan.

Reporting period

From January 1 to December 31, 2024. Information prior to 2022 will be included for trend comparison purposes.

Release date

The Interal Report of 2024 will officially released on 25 December, 2025 on the website inx.com.vn.

Contact Information

Human Resources Department - Phone: (+274) 3767 811~14 - Fax: (+274) 3767 815

Stakeholders Communications

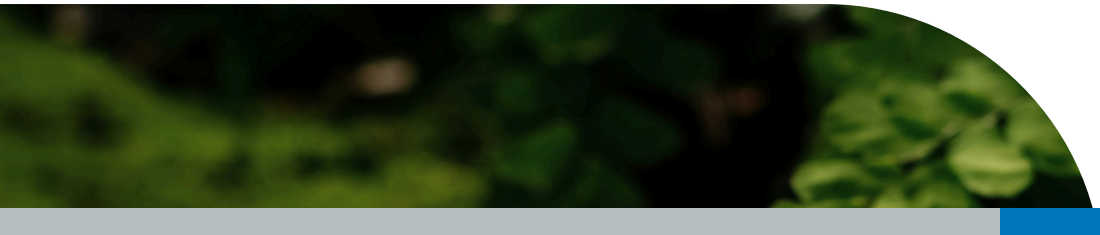
All report content will be made publicly available on the company’s official website. We aim to ensure that all stakeholders can easily access our report.

Design Copyrights

The report has been developed using pre-designed visual elements, templates, and pictures available on Canva, ensuring clarity, accessibility, and a user-friendly format.

Forward-Looking Statements

Certain sections of this report may include forward-looking statements or projected data, particularly related to the year 2024. These are based on assumptions available at the time of reporting and may differ from actual results. As part of our commitment to continuous improvement in transparency and data coverage, this year, we have expanded the scope of our reporting to include additional information and data from our Bac Ninh branch. Because of that reason, some data in Y2022, Y2023 may be adjusted.



MESSAGE FROM THE GENERAL DIRECTOR

MR. ROBERT NG

THE BOARD MEMBER & GENERAL DIRECTOR

"Since our founding in 2003, Sakata INX Vietnam Co., Ltd. has always strived to create value not only for our company, but also for our employees, our customers, and society. Today, more than 20 years later, we remain committed to contributing to Vietnam's sustainable development while delivering trusted printing ink solutions.

Commitment to Responsible Business Conduct

As an industry leader, we carry a responsibility to ensure that sustainability is at the core of our strategies. Which include:

- Complying fully with all national laws and international standards.
- Respecting human rights, workers' rights, and ensuring a safe and healthy workplace.
- Protecting the environment and public health.
- Preventing corruption, bribery, and unethical practices across our value chain.
- Upholding responsible tax practices and transparency in all our business operations.

Achievements and Challenges (Past Year)

In 2024, we advanced our sustainability journey by:

- Reducing our overall energy consumption by **9.8%** compared to 2023.
- Increasing renewable energy usage in our operations **by purchasing iREC.**
- Training over **280** employees on sustainability awareness and responsible business conduct.
- At the same time, we recognize challenges remain—particularly in reducing Scope 3 emissions across our supply chain and in meeting rising expectations for circularity in packaging and waste reduction.

Vision and Strategy

Our vision is clear: to build a resilient and sustainable printing ink industry in Vietnam.

- Short-term: Continue energy efficiency upgrades, strengthen employee training, and ensure compliance with our anti-bribery and human rights policies.
- Medium-term: Achieve an **24%** reduction in greenhouse gas emissions, expand renewable energy use, and implement due diligence practices across all suppliers.
- Long-term: Reach carbon neutrality, advance eco-innovations in our products, and establish Sakata INX Vietnam as a model for responsible business conduct in Asia.

Context and Alignment

While pursuing this transformation, we remain mindful of the broader challenges and the ever-changing landscape they create, ensuring our strategy stays adaptable, resilient, and aligned with a rapidly evolving global context. In doing so, we align our efforts with the United Nations Sustainable Development Goals and the expectations for responsible business conduct set by intergovernmental bodies.

Closing and Call to Action

Sustainable development is a shared responsibility. We invite our employees, customers, suppliers, and community partners to join us in this journey. Together, we can reduce risks, create opportunities, and ensure a thriving, inclusive, and sustainable future for Vietnam and for the generations to come.

Mr. Robert NG
Board Member & General Director, Sakata Inx Vietnam

ABOUT
OUR COMPANY

Sakata Inx Vietnam Co., Ltd. (SIV) was established in 2003 as a wholly-owned subsidiary of Sakata Inx Corporation Osaka, Japan.

SIV continues to grow and we anticipate our innovative products are able to cater for all printing ink markets. As a corporate theme, we Sakata Inx Vietnam Co., Ltd. will strive to improve the lifestyle of society through creative Visual Communication Technology. We promise that our creativity of communication culture will enrich the lifestyle of society, as the basis of our existence. As corporate objectives, we set forth to become creative, refined and full of vitality. We shall be responsive, flexible, innovative and progressive.

- **Company name:** SAKATA INX VIETNAM CO., LTD.
- **Trade name:** SAKATA INX VIET NAM COMPANY LIMITED
- **Abbreviation:** SIV
- **Head office:** No. 33, Tu Do Avenue, Vietnam-Singapore Industrial Park, Thuan Giao Ward, Ho Chi Minh City, Vietnam
- **Enterprise registration certificate number:** 0303177976 issued by the Department of Planning and Investment Binh Duong - Business Registration on March 01, 2007
- **Telephone:** (+274) 3767 811 ~814 Fax: (+274) 3767 815

ABOUT
OUR HISTORY

Tsuneshiro Sakata (founder)

Osaka, Japan | **1896**

Founded in Osaka as a small private business (SAKATA INK SEIZOUSHO), and started making and selling newspaper inks

Ho Chi Minh, Vietnam | **2003**

Founded the first facility at Le Minh Xuan Industrial Park, Ho Chi Minh City, and implemented business registration licenses.

First facility in Vietnam

The first factory in Binh Duong Province

Binh Duong, Vietnam | **2006**

Inaugurated the new factory. Moved the main office to VSIP 1 in Binh Duong Province.

Bac Ninh, Vietnam | **2007**

Established the warehouse in Tien Son Industrial Park, Bac Ninh Province.

First facility in Bac Ninh Province

Factory branch in Bac Ninh Province

Bac Ninh, Vietnam | **2014**

Inaugurated the new factory in VSIP, Bac Ninh Province.

Binh Duong, Vietnam | **2017**

Obtained ISO Certifications: ISO 9001:2015, ISO 14001:2015

ISO Certifications

Plan 2 - VSIP1, Binh Duong Province

Binh Duong, Vietnam | **2018**

Expand factory in Binh Duong Province – Built Plant 2

Binh Duong, Vietnam | **2020**

Obtained ISO Certification: ISO 45001:2018

ISO 45001:2018 Certification

The second factory in Bac Ninh Province

Bac Ninh, Vietnam | **2022**

Expand factory in Bac Ninh Province – Built Gravure Inks Factory

Cambodia | **2022**

Established the warehouse in Cambodia.

Warehouse in Cambodia

Our representatives

Ho Chi Minh, Vietnam | **2023**

A Journey of Reliability & Trust- Celebrating 20 Years of Sakata Inx Vietnam Co., Ltd.

Bac Ninh, Vietnam | **2024**

Successfully held the "Thanks Giving and Anniversary Celebration" in Bac Ninh, marking an inspirational milestone in the company's solid 17-year journey of development in Vietnam.

The ribbon cutting ceremony

FINANCIAL DATA

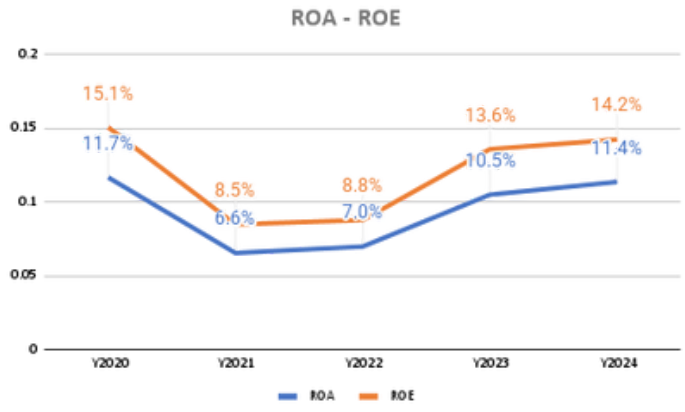
Role of Finance in Sustainability

The Finance Department supports SIV's sustainability objectives by ensuring transparent financial management, compliance with Vietnamese regulations, and effective allocation of resources for environmental, safety, and operational improvement projects. Finance plays a key role in evaluating investment efficiency for energy-saving equipment, environmental protection systems, and safety upgrades.

Finance also supports governance through strong internal control, cost monitoring, and anti-fraud procedures aligned with Sakata INX Group's policies.

Key Responsibilities in 2024

- Ensured compliance with accounting and tax regulations
- Supported budgeting for ESG-related investments (energy efficiency, safety equipment, environmental systems)
- Strengthened internal control and financial transparency
- Coordinated with departments on cost optimization and operational efficiency

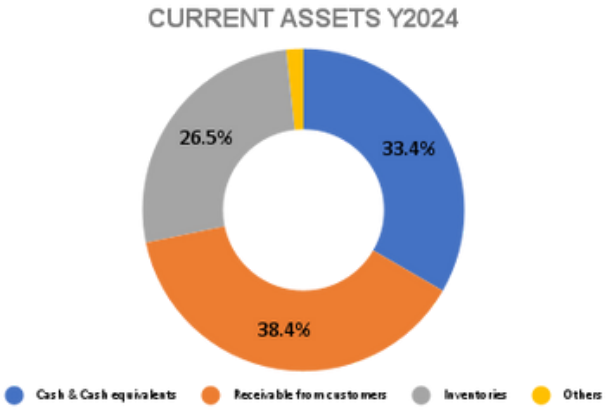


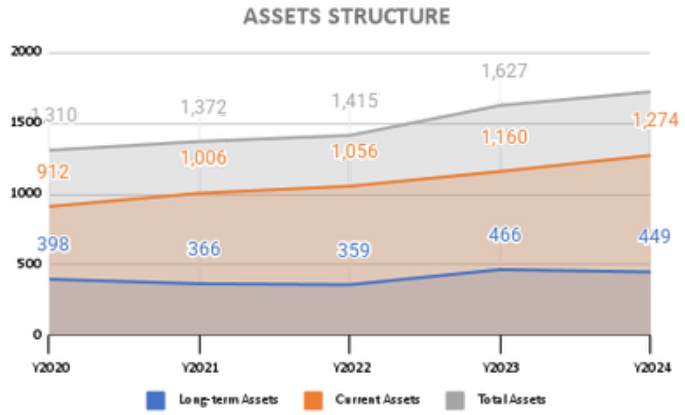
- ROA remained above 10%, indicating efficient asset utilization (11.7% in 2020 → 6.6% in 2021 → 11.4% in 2024). ROE improved strongly from 8.5% (2021) to 14.2% (2024), aligning with the industry benchmark of 12–15%. The debt ratio stayed low at 0.2–0.23, reflecting a safe capital structure.

- The company has almost no debt, low financial risk. This strong financial position ensures stable operations and long-term resilience. It also enables the company to invest proactively in sustainable growth initiatives.

- Total assets grew steadily with a CAGR of about 7.1% per year. Current assets remained high (70–74%), comprising 38% receivables, 31% cash, and 30% inventory. The slight decline in long-term assets indicates stagnant investment and a stronger focus on current assets.

- Short-term assets grew by 39.9% from 2022 to 2024, supported by retained earnings and strong cash flow. Over five years, tax liabilities rose by 40% in line with revenue but remained controllable (~28% of 2024 revenue). Liquidity stayed high (ratio >3), though closer monitoring of slow-moving inventory is needed to optimize production and supply planning.



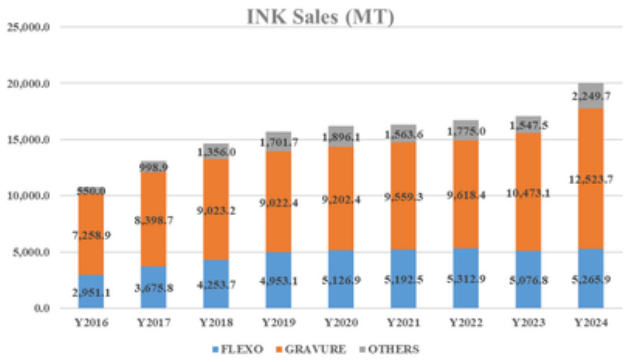


- Over the five-year period from 2020 to 2024, the financial situation is growing steadily and sustainably. Both revenue and profit are growing at a good rate.
- The annual audit report shows that the company's financial records are fully recorded, transparent and in compliance with current laws.
- Decline due to Covid-19, the company will recover strongly from 2023, revenue and profit are very positive, ROE and ROA are both over 10% proving that the company manages capital effectively.
- Solid financial structure, strong cash flow, equity accounts for nearly 80% of total assets, low debt, high safety, low liquidity risk.

**Data from Cash Flow also consistent with P&L and BS , showing healthy liquidity and effective capital management of the company, so no in-depth analysis of CF here.*

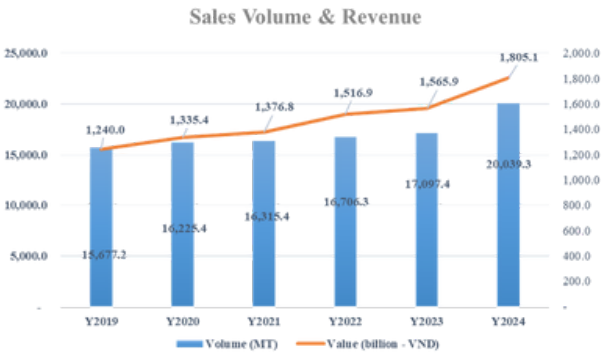
BUSINESS STRATEGY

Actual Sales for each product from Y2016 to Y2024



Actual Sales 2024 compared to 2023: Flexo Ink showed an increase of 3.7% (189.1 MT), following Gravure ink of 19.6% (2,050.6 MT), and Other Products of 45.4% (702.2 MT).

Sales volume & revenue 2019-2024



Both volume and sales value show positive growth from 2023 to 2024, with volume increasing by 17% and sales value by 15%. However, the value increase rate is 15% and is lower than the volume.

Sales Target 2025	Volume (Tons)	Value (Vnd '000.000)
Flexo	5,380	358,000
Gravure	13,840	1,065,000
Others	1,980	437,000
Total	**21,200**	**1,860,000**

The value growth is affected by fluctuations in foreign currency exchange rates, which have impacted the cost of raw materials. While the market price for raw materials has been volatile, the domestic sales price is under significant pressure from increasing competition in the industry. To remain competitive and retain customers, we have been forced to adopt strategies to either maintain our prices or adjust them strategically, ensuring stability in customer relationships while still managing cost fluctuations.

OVERCOME CHALLENGES

- Secure a stable and sustainable raw material supply through diversified sourcing and long-term contracts.
- Promptly R&D and technology innovation to reduce development cycles and launch eco-products faster.
- Strengthen technical service capability to meet complex customer requirements and resolve issues efficiently.
- Develop competitive yet profitable pricing strategies to counter market pressure.
- Enhance talent retention with structured career development and training programs.
- Complete compliance certifications (ISO, Ecovadis, WEPs, BSCI, SMETA).
- Improve supply chain stability to reduce the impact of external changes.

UPCOMING ACTIONS

- Strengthened sustainable supply chain through certified partners, long-term contracts, and Inox Tank system for higher efficiency.
- Enhanced R&D capacity and digitalization to
- Launch and promote eco-friendly products: Botanical Ink, Mono-Solvent Ink, PVC/NC-free Ink, EcoPlata, Deinkable Primer, Gas Barrier Coatings.
- Develop water-based inks for plastic films (PP woven bag).
- Expanded Ink Kitchens and promoted sustainable, toluene-free inks.
- Build stronger strategic partnerships with brand owners to secure long-term commitments.
- Built specialized technical teams and provided continuous training for employee development.
- Pursued ISO and social compliance certifications, proactive risk management, and transparent operations aligned with global standards.

SUSTAINABLE COMMITMENTS

Sustainability Strategy

As part of our sustainability commitment, we put effort into aligning with Corporate's Material Issues & KPI, which specifies ESG/Sustainability efforts by emphasizing the global environment and local community:

- **Maintain a sustainable global environment:** reduction of our energy usage (CO2 emissions), waste generation, water usage, and development of Environmentally-friendly inks.
- **Supply safe and secure products:** Maintain chemical management, quality assurance, and OHS.
- **Respect Human rights promotion of DEIB:** Toward zero serious human rights violations, enhance training participation, and conduct human rights due diligence, and DEIB initiatives.
- **Enhance R&D and technology:** Enhance environment-friendly products and materials.
- **Enhance corporate governance and compliance:** Risk management, BCP Planning

Basic Policy

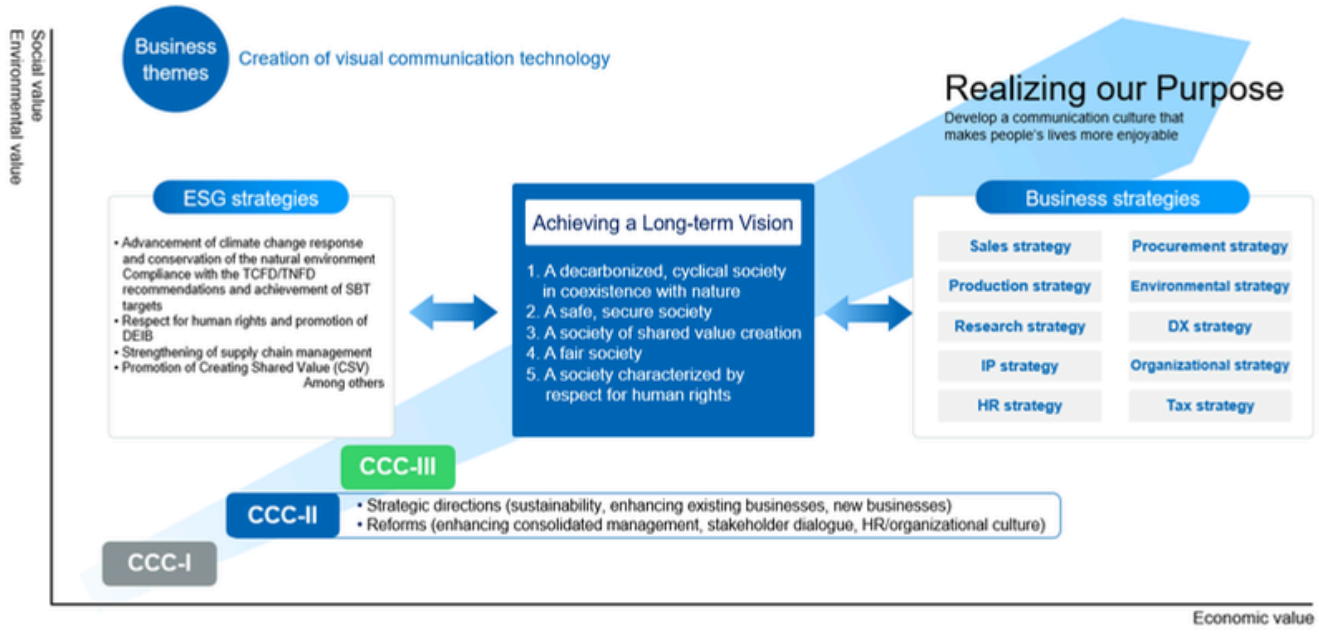
By growing sustainably and becoming a "global company" needed from society and contributing to the "Sustainable Development Goals (SDGs)" adopted by the United Nations, we will enhance our corporate value.

Approach

Under Corporate's Sustainability Basic Policy, we are committed to realizing the Five Societies defined in our Long-term Strategic Vision, SAKATA INX VISION 2030, and our Purpose, *"Develop a communication culture that makes people's lives more enjoyable,"* by conducting business activities with consideration for economic, environmental, and social aspects, by building better relationships of trust with various stakeholders, by integrating them into our business strategies in sales, production, research, and other areas, and by taking initiatives to solve social problems.

Image of Value Creation for Integrating ESG and Business Strategies

- *CCC-I to CCC-III represent the medium-term management plans under the long-term vision "SAKATAINX VISION 2030."
- 2024 is the first year of CCC-II (2024-2026).



Sustainable Deposit Program

Aligned with our sustainability direction, we participate in the Sustainable Deposit Program of Mitsubishi UFJ Financial Group (MUFG). This investment reflects our commitment to our long-term ESG strategy. Under MUFG's Sustainable Deposits Framework, the net proceeds from these deposits are earmarked to finance or refinance eligible sustainability-linked or social projects. In line with this mechanism, the returns generated from our sustainable deposit are prioritized for environmental initiatives, thereby reinforcing our commitment to supporting impactful and responsible investments.

MUFG

presents

CONG TY TNHH SAKATA INX VIET NAM

Certificate of MUFG Sustainable Deposit
(12 September 2024 to 14 October 2024 of VND 40,000,000,000)

In recognition of your contribution towards a sustainable future via the MUFG Sustainable Deposit Program

TAKAO NOZAKI
Managing Director – Head of Ho Chi Minh City Branch

MUFG Bank Ltd

ACTIVITIES ON CORPORATE SOCIAL RESPONSIBILITY

Social Contribution PolicySocial Contribution Policy

Sakata INX Vietnam aligns with the Group's commitment to contribute to society by building trusted relationships with local communities and supporting sustainable development. We engage in community activities focused on environmental protection, vulnerable groups support, and strengthening local relationships, in accordance with the Group's global Social Contribution Activity Policy. Employees are encouraged to participate voluntarily, and we continuously support their involvement in social initiatives that reflect our core values and societal responsibilities.

Find more details on our Group Social Contribution Activity Policy
https://www.inx.co.jp/english/sustainability/social/community/activity_policy.html

January **2024**

Transform unwanted stuff to the forest – The environmental campaign, which is coordinated by Gaia - Nature Reservation Organization. We contributed to the planting tree fund, and reduced 237.6 tons of CO2, saving 160,613 m3 of water

March 05 **2024**

Highlands Shining Aid – The first charity trip in 2024 of the Bac Ninh Branch. Embarked on a volunteer trip to visit the students in the highlands at Boarding Ethnic Elementary School No. 2 in Na Tong, Dien Bien.

June 23 **2024**

Book Donation Campaign: **"Bookshelf for Children"** - an internal charity campaign to donate books to children in disadvantaged areas

August 25 **2024**

Charity Campaign - **Free Meals at Vinh Son Nursing Home.** Prepared 0 VND meals. In this campaign, we serve macaroni soup to the lonely elderly at the nursing home.

November 16 **2024**

Employees from the company and volunteers from the "Trash Lovers" Association came together to transform old, plain plastic drums into unique trash bins.

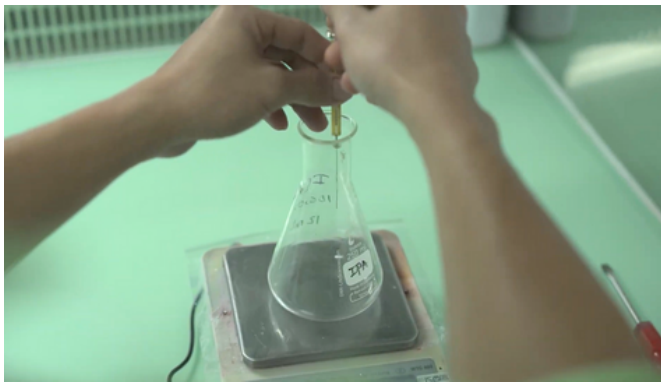
November 23 **2024**

"A Green Beach, One Heart Inspired" Campaign at Phuoc Tinh Commune, Ba Ria – Vung Tau Province. We organized a special charity and environmental event.

THE ROLES OF PRODUCTION IN SUSTAINABILITY

The Production Department plays a key role in SIV's sustainable manufacturing by implementing energy-saving measures, optimizing raw material use, and managing chemicals in compliance with Vietnamese regulations and Group standards

The department actively collaborates with HSE and QC to minimize waste, control emissions, and maintain safe operating conditions. Through continuous monitoring and improvement of production processes, SIV aims to reduce environmental impacts while maintaining stable and responsible manufacturing operations.



Key Achievements in 2024

- Strengthened chemical handling and safety procedures
- Improved energy and material efficiency through operational adjustments
- Collaborated with HSE to enhance waste classification and reduce disposal volume
- Ensured stable production while maintaining compliance with ISO 9001 and ISO 14001 & 450001
- Implemented maintenance practices that reduced unplanned downtime

Recycling in Production Operations

Through close collaboration with recycling partners, we are reducing reliance on single-use packaging and fostering innovative take-back programs for spent coatings containers. Within our own operations, we continue to drive lean manufacturing practices, including closed-loop solvent recovery and onsite material recovery from waste to support our ambition of achieving zero waste to landfill. These efforts, combined with strategic partnerships across our value chain, reinforce our product stewardship commitments and ensure that our packaging solutions not only meet performance requirements but also uphold our environmental objectives.

Year	% tank/total finish ink
2022	10%
2023	15%
2024	18%
2030 (Target)	30%

**Stainless tank (1000 kgs) reduction and reuse.*
Target to reduce the consumption of used metal pails.

The volume of Non-Toluene inks increased from 1,263 tons in 2019 to 3,350 tons in 2024, and is expected to reach nearly 4,000 tons in 2025—three times higher than in 2019. This reflects a clear market shift toward environmentally friendly products.

These high-performance, eco-friendly products meet strict domestic and international standards, reinforcing Sakata INX Vietnam's commitment to sustainable and environmentally responsible solutions. The company will continue advancing eco-ink technologies and promoting sustainability initiatives.

COMPANY GOVERNANCE

The Board of Directors (BOD) oversees all company-wide management issues, including ESG (Environment, Social, and Governance), risk management, and the Business Continuity Plan (BCP). The BOD also makes key business and strategic decisions to ensure sustainable growth and compliance with both internal and external requirements. The BOD also provides strategic direction to strengthen ESG integration across operations.

Through regular reports from the ESG and Occupational Health & Safety (OHS) departments, the BOD monitors the company's sustainability performance and compliance status, thereby making informed and appropriate business decisions.

Internal Control System

- Regular Sakata Inx Group audit is conducted once a year to evaluate compliance in key areas, including environmental and occupational health & safety management, human rights and business ethics, and information security and governance of sustainability-related policies.
- Our company supports and cooperates comprehensively during these audits by providing the necessary information and reports. Based on audit results, the Group provides feedback and requests corrective actions to ensure continuous improvement and compliance.

Anti-Corruption

- The company has a training plan to raise employee awareness of the Anti-Corruption Policy and ensure ethical business conduct. In addition, we strive to conduct annual corruption risk assessments to promptly identify potential violations and implement appropriate measures.
- We are committed to building a transparent, fair, and integrity-driven corporate culture, where all employees understand their responsibility in preventing corruption. Regular monitoring and open communication channels are maintained to ensure compliance and improvement.

Third-party assurance

The company engages an independent third-party auditor to conduct financial audits annually, ensuring the accuracy, transparency, and reliability of our financial statements. This independent verification helps strengthen stakeholder confidence and supports our commitment to responsible and transparent governance.

Grievance mechanism

Aligned with our ESG commitments, the Company also maintains a robust feedback and grievance mechanism that enables employees and relevant stakeholders to confidentially report any suspected misconduct, discrimination, or violations of our DEIB and ESG principles. In 2024, we recorded **no violations** of corruption, conflict of interest, money laundering, insider trading, information incidents, or sexual-harassment.

KPI Tracking

- **Company objectives follow-up:** under ISO 9001:2015, conduct quarterly reviews with each department responsible for reporting progress through defined KPIs.
- **ESG data (Environment, Labor, Ethics):** reviewed quarterly to ensure timely corrective actions.
- **Employee KPIs:** once a year to maintain transparency in performance and welfare management.

Information Security

The company ensures comprehensive information security by implementing data protection measures, including system backups, server maintenance, adherence to the Information Security Policy, and personal data protection in compliance with Vietnamese laws. Regular training sessions, newsletter updates are conducted to raise employee awareness and ensure proper handling of confidential information and avoid cyber threats.

Risk Management

Each department submits its risk analysis report **twice a year** to the Risk Committee. Upon receiving the reports, the committee reviews and identifies the top three significant risks that require corrective or preventive actions. For the remaining risks, departments are responsible for implementing appropriate control measures and reporting progress to the committee. This process ensures a proactive and structured approach to risk management across the organization.

The Business Continuity Plan (BCP)

The company has established a Business Continuity Plan to address emergencies such as fire, explosion, natural disasters, and information security incidents. Detailed procedures have been developed, and a BCP Committee has been formed to oversee implementation. The plan is reviewed, and feedback is provided by the Group to ensure alignment with global standards. Once approved, training sessions will be conducted to ensure all employees clearly understand their roles during emergencies.

Training on Ethics

In 2024, we conducted training for about **240 employees (85%)** regarding the Code of Conduct, Grievance Mechanism, and Personal Data Protection. The average training hours on the Ethics matter is **2 hours.**

ENVIRONMENT DISCLOSURES
POLICY COMMITMENTS

Metrics and Targets (TCFD)

Our Group's greenhouse gas emission reduction targets have been certified as Science Based Targets (SBTs) by the international climate change organization Science-Based Targets initiative (SBTi).

Group Greenhouse Gas Emissions Reduction Targets

Classification		Target
Scope1	Direct greenhouse gas emissions (directly generated)	By FY2034, a 58.8% reduction in CO2 emissions from FY2022
Scope2	Indirect greenhouse gas emissions (electricity, heat and steam supplied from others)	
Scope3	Indirect emissions other than Scope 2 (emissions by other parties related to the business activities)	By FY2029, 89% of suppliers are to establish science-based targets based on spending for purchased goods and services

We have also made the action to enhance R&D and technology capabilities a key issue (materiality) and have set product development based on Creating Shared Value (CSV) as a specific task. For example, we are working on various initiatives by expanding our sustainable product lineup and setting KPIs to achieve our targets by 2030, which include increasing the ratio of botanical products using plant-derived ingredients that will contribute to a decarbonized society, the use of functional coating agents (e.g., gas barrier agents) that will contribute to a recycling-oriented society.

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Helping Society Achieve Carbon Neutrality

Product Development Based on Creating Shared Value (CSV)

Major Initiatives and Achievements

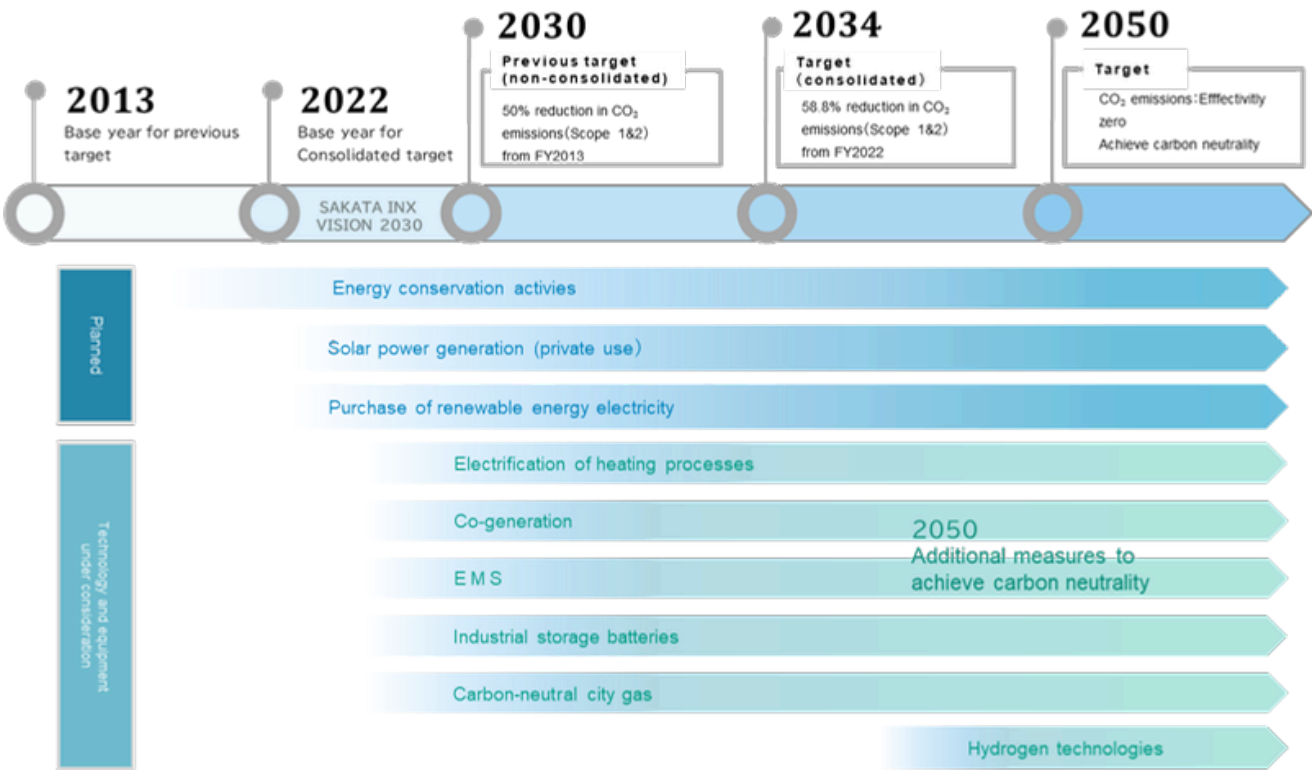
- Expand botanical products
- Develop deinking primers for effective use of waste plastics
- Develop functional coating agents using fluorine-free and biomass materials

Among others

KPIs for Achieving SAKATA INX VISION 2030

- Increase the proportion of botanical products
- Improve botanical content
- Expand the lineup of sustainable products

Roadmap for achieving carbon neutrality



ENVIRONMENT DISCLOSURES
EMISSIONS

Goals and Target

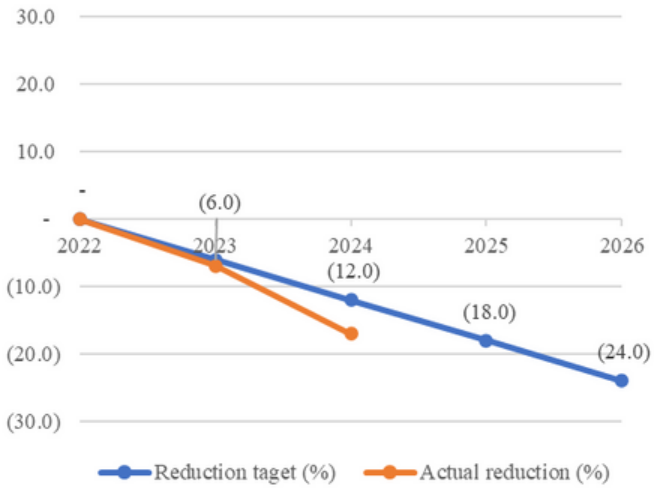
Based on the Science-Based Targets (SBT) initiative, SIV set a 5-year CO_2 reduction goal (2022–2026) equivalent to converted energy, including the following targets for both direct (Scope 1) and indirect (Scope 2) energy:

- Reduce by 24% from the total emission volume from 2022 to 2026 (reduce by 6% per year).
- From 2027 onwards, these targets will be reviewed based on the budgeted sales volume.

Scope 1 & Scope 2 Emissions

Direct energy conversion results in local greenhouse gas emissions (SIV only refers to CO2). SIV uses 2 fuels for its own energy conversion. 100% of the energy is converted in SIV sites, amounting to **CO2 emissions of around 117.7 tons** (previous year: 102.3 tons).

Indirect energy conversion results in greenhouse gas emissions (CO2) depending on the primary energy used in the country's electric power generation mix. Therefore, a shift from the company's own power generation to purchasing electrical power (EVN) may positively or negatively impact SIV's total carbon footprint. For the year under review, calculated CO2 emissions from EVN **power supply amounted to around 1,963 tons** (previous year: 1,630 tons).



The company uses conversion factors as published by the EVN and Decision 2626/QD-BTNMT of 2022.

Scope 1 & Scope 2 Initiatives

To strengthen our commitment to reducing GHG emissions, the Company purchased Renewable Energy Certificates (RECs), resulting in an estimated reduction of around 165–169 tCO_2 based on Vietnam's grid emission factor. This initiative demonstrates our proactive approach in achieving our target (17.9% reduction) as well as transitioning toward cleaner energy sources. In the coming years, we plan to further enhance our renewable energy adoption by installing a rooftop solar system at our manufacturing facility, contributing to long-term decarbonization and energy efficiency.

The International Tracking Standard Foundation
Founders of I-REC

This Redemption Statement has been produced for

SAKATA INX VIETNAM CO., LTD.

by

ALENA ENERGY TECHNOLOGY COMPANY LIMITED

confirming the Redemption of

250.000000

I-REC Certificates, representing 250.000000 MWh of electricity generated from renewable sources

This Statement relates to electricity consumption located at or in

No. 33, Tu Do Avenue, Vietnam - Singapore Industrial Park, Thuan Giao Ward, Ho Chi Minh City
Vietnam

in respect of the reporting period

2024-01-01 to 2024-12-31

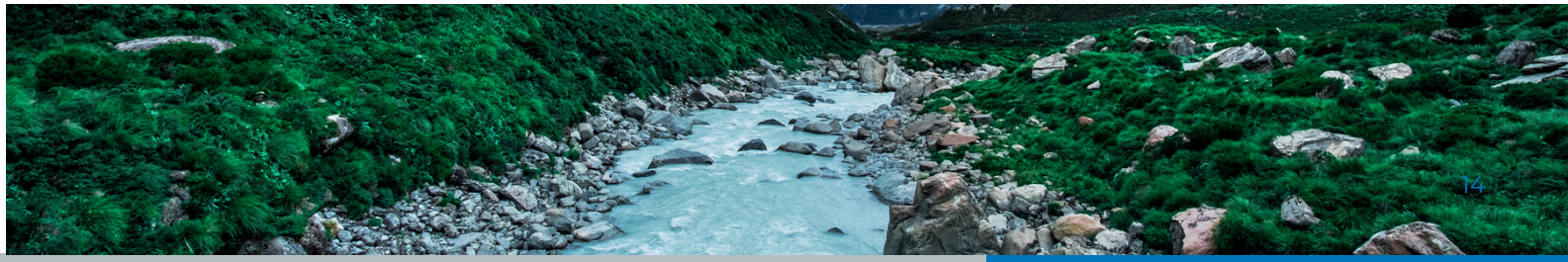
The stated Redemption Purpose is

Corporate Sustainability

QR Code Verification

Verification Key

3 3 6 4 5 5 2 3



Scope 3: Other Indirect Emissions

The company also evaluates the carbon emissions from Scope 3 as a survey to collect data for the future plan. For the year under survey, calculated CO2 emissions around 95,769 tons for all facilities including:

Category	Total emissions	95,769 tons
1	- Purchased goods	90,730
2	- Capital goods	291
3	- Fuel and energy (excld. Scope1/2)	235
4	- Upstream transportation	4,142
5	- Waste generated	105
6	- Business travel	24
7	- Employee commute	-
11	- Use of Products	196
12	- End of Life	45

The company uses conversion factors as published by the IDEA databases.

SIV targets an 89% reduction in Scope 3 emissions from 2022 to 2034 through enhanced collaboration across the value chain, focusing on low-carbon sourcing, efficient logistics, and collaborating with customers to reduce downstream use-phase emissions.

Value chain Hot Spots

Scope 3 emissions represent the largest share of SIV's total carbon footprint. Within Scope 3, Category 1 (Purchased Goods and Services) is the most significant contributor, accounting for approximately **95%** of total Scope 3 emissions. This reflects the carbon-intensive nature of raw materials and upstream supply chain activities. The remaining Scope 3 categories contribute a relatively small proportion, ranging individually from approximately 0.04% to 4.3%, indicating that upstream procurement remains the key focus area for future emission reduction efforts.

ENVIRONMENT DISCLOSURES
ENERGY

ENERGY COMMITMENTS

SIV's energy consumption is to a large extent based on fossil, non-renewable sources of energy, exposing Sakata Inx Vietnam to price volatilities and increasing regulatory interventions related to climate change. We believe that energy efficiency and mitigation of emissions are major drivers of its overall efficiency effort and additionally contribute to cost reductions, impact with regard to climate change. We thrive to improve sustainable solutions to increase efficiency of energy use in our products.

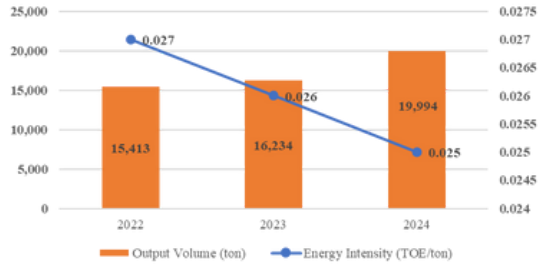
ENERGY CONSUMPTION

SIV used 502.09 TOE of energy (previous year: 418.61 TOE), 8.5% directly from non-renewable primary energy conversion and 91.5% from purchased electricity. Our total energy consumption is mainly for heating production equipment, steam generation, drying processes, etc.

Total energy consumption	**502.09 TOE**	
- Non-renewable	42.71 TOE	DO and LPG
- Electricity	459.39 TOE	From EVN source including renewable and non-renewable

The company has set a target for energy consumption to achieve efficiency based on reduction activities, excluding the effects of production volume and electricity coefficient. SIV planned a 5-year target CO2 reduction by 24% from total emission volume for 2022-2026 (reduce by 6% per year), equivalent to converted energy includes the following targets for both direct (Scope 1) and indirect (Scope 2) energy.

ENERGY INTENSITY



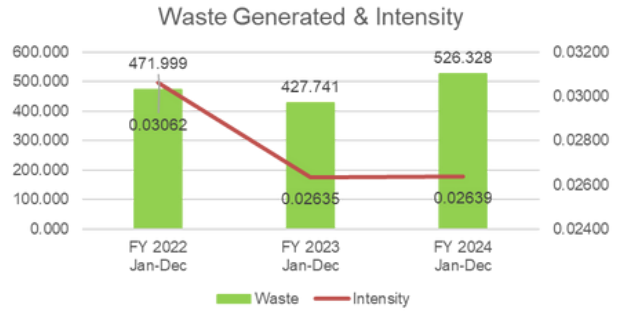
- Energy intensity is the ratio between the total energy consumed by the company and total tons output (Finished Products).
- Energy consumption per ton output added up to 0.025 TOE (previous year: 0.026 TOE).

CONSUMPTION REDUCTION

- SIV continued to replace lighting solutions with the latest LED technology, solar street light technology. This technology has led to substantial energy savings of up to 70% of total lighting electricity consumption;
- Shorter mixing time in production by timer control led to a lower energy usage, resulting in increased energy efficiency;
- The replacement of utility equipment focuses on aging equipment;
- leakage detection and fixation of air losses in compressed air systems, and energy-efficient cooling of process water with the use of chillers;
- Periodic monitoring reports and participation in training sessions on sustainable development promoted energy awareness throughout the company.

ENVIRONMENT DISCLOSURES
WATER & WASTE

WASTE MANAGEMENT



Commitment

SIV strives to improve production efficiency by reducing scrap and packaging while focusing on sustainable materials. Effluents are minimized and managed per local regulations. Waste recycling is supported wherever possible.

Goals and Targets

SIV's target plan for 2023-2026 includes the following target for waste:

- 3% less general waste per ton
- 1% less plastic waste per ton

Waste resulting from SIV's production amounted to 526.3 tons in 2024, which represents around 2.6% of the output volume.

Total Waste	**526.3 ton**
- Hazardous waste	431.9 ton
- Industrial waste	55.7 ton
- Non-hazardous waste	38.7 ton

Specific Actions

- Reported monthly and quarterly to ensure follow-up and management approaches are adapted accordingly.
- Continuous improvements according to the guidelines of ISO 14001:2015.
- Recycle 29.9 tons of solvent (increased 11.56 tons compared to 2022), and 18% stainless tank (1000 kgs) (increased 8% compared to 2022)

WATER MANAGEMENT

The impact of SIV's operations on water is mainly due to the use of water in its production processes and buildings. Water is used for cooling, processing, sanitary facilities, and in products. SIV's management approach is aimed at reducing water consumption in its own operations and at constantly improving its products to increase environmental friendliness.

Total water consumption	15,037 m3	Public supply
- Processing	3,120 m3	Used as cooling, steam
- Products	1,576 m3	Used as raw materials for products out of total consumption both Gravure and Flexo
- Waste water	3,704 m3	Used as washing water
- Other activities	6,637 m3	Used sanitary facilities

Commitment

SIV is committed to reducing the amount of water used by its own operations and to contributing through initiatives to the reduction of water use.

Goals and Targets

SIV's target plan for 2022-2026 includes the following target for water:
– 3% less water consumption per ton

Specific Actions

- Monitoring: SIV measures its water use on a regular basis. Water use is reported daily to control leakage, monthly and quarterly to the internal Sustainability and Operations Technology team where results are followed up and management approaches adapted accordingly.
- Environmental management system ISO 14001: SIV production facilities are certified to ISO 14001, which allows for continuous efficiency improvement.
- Sustainable solutions: SIV seeks to enhance the outstanding and widely appreciated usefulness of its products by optimizing their sustainability profile, and thus to create added value for customers.

Management of water discharge related impacts

In 2024, wastewater from production and domestic activities was treated through the on-site wastewater treatment system and monitored by a licensed third party in accordance with Vietnamese environmental regulations. Sampling and testing were conducted quarterly, and results were consolidated and reported annually to the competent authorities. All parameters complied with the applicable VSIP industrial park wastewater standards. The analyzed parameters were tested by accredited laboratories recognized by the Ministry of Natural Resources and Environment, in accordance with VIMCERTS 314 and VACI/VALAS 113.

Actions

- Regular operation, inspection, and maintenance of the wastewater treatment system
- Continuous monitoring and periodic testing by qualified parties
- Ongoing updates and compliance with environmental regulations to ensure discharge quality remains within permitted limits

Water risk assessments

The Company assesses water-related risks using the World Resources Institute (WRI) Aqueduct tool. Through this assessment, we identify potential risks related to water scarcity, flooding, and water quality at our operational locations. The results are used to inform water management planning, ensure compliance with Vietnamese regulations, and support proactive measures to minimize operational and environmental risks. According to the tool, the result of the company's manufacturing site is as follow:

No	Manufacturing site	Current	In 2030
1	Main Office	High-risk area	Low to medium-risk area
2	Plant 2	High-risk area	Low to medium-risk area
3	Bac Ninh Branch	Extremely high-risk area	Medium to high-risk area

Nitrogen Oxide (NOx), sulfur oxides (SOx), and other significant air emissions

In 2024, our emissions were monitored quarterly by a certified agency and reported to authorities as required. All key parameters — Dust, NOx, SO_2, NH_3 (QCVN 19:2009/BTNMT) and VOCs such as Toluene, n-Hexane, and Ethyl Acetate (QCVN 20:2009/BTNMT) — remained within permitted limits, confirming compliant and effective emission control.

Emission source	Pollutants emitted	Concentration (mg/Nm3)			
		21/03/2024	14/06/2024	25/11/2024	30/12/2024
Emission treatment system - Plant 1	Dust (mg/Nm3)	29	13	178	121
	NOx (mg/Nm3)	< 1,88	< 1,88	< 1,88	0
	SO2 (mg/Nm3)	< 2,62	< 2,62	< 2,62	0
	Toluene	114	711	41	72
	n - Hexan	215	< 0,02	< 0,02	18
	Ethyl Acetate	483	234	< 0,025	35
Emission treatment system - Plant 2	Dust (mg/Nm3)	24	16	164	183
	NOx (mg/Nm3)	< 1,88	< 1,88	< 1,88	0
	SO2 (mg/Nm3)	< 2,62	< 2,62	< 2,62	0
	CO (mg/Nm3)	< 1,14	< 1,14	< 1,14	0
	NH3 (mg/Nm3)	512	285	<0,6	< 0,6

ENVIRONMENT DISCLOSURES
R&D

Our Strategy

We seek to reduce environmental impact by changing to environmentally-friendly raw materials and reducing emissions of VOC (volatile organic compounds) in the printing process. We will continue to work to propose environmentally-friendly products on a timely basis and to promote the development of environmental activities.

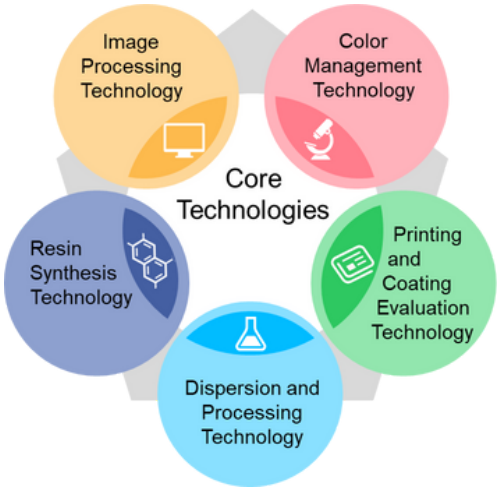
Core Technologies

Our proprietary core technologies, which we have developed through our ink business, include:

- Resin synthesis technology
- Dispersion and processing technology
- Printing and coating evaluation technology

We apply these technologies in existing businesses such as functional coating agents, pigment dispersions for imaging display materials, and inkjet inks, along with new businesses such as materials for electronics, and in new product development of bio-based and non-fossil materials, among others.

We are also developing imaging processing systems and color management systems based on image processing technology and color management technology that we have fostered through our relationships with the printing industry.



- **Color Management Technology**
Technology to manage color in absolute values using a spectrophotometer and computers.

- **Printing and Coating Evaluation Technology**
Technology to coat the surface of base materials such as paper and film with inks and functional coating agents, and to evaluate the formed images and functional thin films.

- **Resin Synthesis Technology**
Technology to add coloring disperse function, adhesive function, printability, various durability and functions to binder resin used in ink.

- **Dispersion and Processing Technology**
Technology for fine, stable and uniform dispersion of particles such as organic and inorganic pigments from submicron to nanoscale.

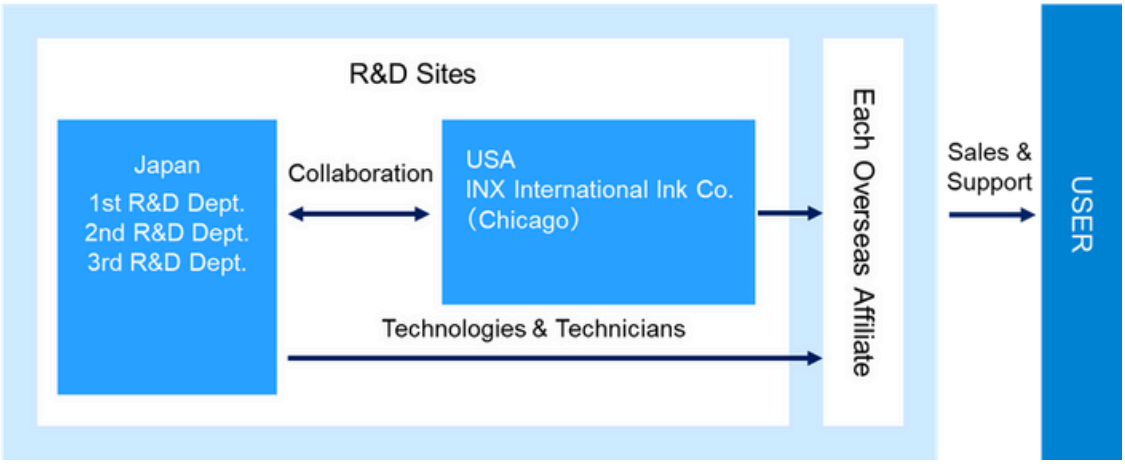
- **Image Processing Technology**
Technology to process, store, and transmit digital information into various types of information using computers.

R&D Structure

We have positioned research and development in Japan as the mothership for R&D in the Group, with initiatives carried out in three purpose-specific R&D departments at our Tokyo Plant and Osaka Plant. To develop and implement our research and intellectual property strategies across the Group, we also liaise with the R&D Center at INX International Ink Co.,

In addition, we have Japanese engineers stationed at each local subsidiary to provide guidance and training on Japanese technologies to the local staff. In collaboration with our research departments in Japan, we are developing products tailored to the characteristic of our clients' global operations and products that match the characteristics of different regions, as well as provide user support on a global level.

R&D Structure



Asian Pacific TechnicalCenter (APTC)

APTC was established in 2020 as a collaboration between Sakata INX Vietnam and INX International Ink Co. (USA) to support the 2-Piece Metal Decorating ink business in the Asia–Pacific region. Our responsibility extends beyond business support. We also strengthen and optimize quality-control systems across this market.

Through these efforts, we have significantly:

- Reduced the number of non-conforming products
- Minimized the volume of materials requiring disposal.
- Developing solutions to lower energy consumption throughout the manufacturing process during the transfer of production from other plants to Vietnam, and in parallel with our ongoing initiatives to reduce VOC emissions

One of the concerns in the global ink industry today is the use of TMP. Trimethylolpropane (TMP) is an organic compound historically used as a surface-treatment additive in titanium dioxide (TiO_2) production to improve dispersibility and compatibility in coatings, inks, and plastics. However, TMP has been placed under increasingly strict regulatory scrutiny in recent years. Under the EU's REACH regulation, TMP has been assessed for potential reproductive toxicity and may be classified as Reproductive Toxicity Category 1B (CMR 1B), which means its use is heavily restricted in the EU.

The concern arises from the fact that TMP may degrade or oxidize into aldehydes and other reactive compounds that could cause developmental or reproductive toxicity, as well as skin and respiratory irritation during handling. We are working closely with our raw-material suppliers to ensure that these TMP-free variants can be adopted without compromising ink performance and long-term regulatory compliance, and avoid future restrictions on their pigments in the European market. Encouraging laboratory results have already been achieved, and large-scale implementation is expected soon.

This transition will not only improve working conditions for our employees but also enhance health and safety protection for our customers and end-users.

Materials Using

Across our value chain, we manage materials responsibly through sustainable sourcing, innovative product development, and efficient production practices:

- **Raw material sourcing:** Put priority on suppliers who demonstrate compliance with environmental regulations, product quality standards, social responsibility expectations, and business ethics. This ensures that the materials entering our production process meet both performance and sustainability requirements.
- **Product development:** Actively work to reduce emissions by developing product lines that incorporate environmentally friendly materials. These include plant-based ingredients such as soya oil and tree-based resins, as well as water-based components. Through continuous research and innovation, we aim to expand the use of safer and lower-impact materials in our portfolio.
- **Production process:** Guided by the 3R principles (Reduce–Reuse–Recycle), we implement initiatives to minimize waste throughout manufacturing. This includes reusing tanks, containers, solvent, and solvent vapor for materials and finished products, optimizing resource use, and encouraging customers to participate in circular practices aligned with our 3R commitments.

As a manufacturing company, we recognize that reducing environmental impact is one of our most important responsibilities. Through responsible material management, we continue to strengthen our efforts to lower emissions and support a more sustainable production ecosystem

OFFSET INK: NEW SOYATONE SERIES

エコプラータ
EcoPlata

FLEXO WATER-BASED INKS:

FRIENDLY ENVIRONMENTAL PRODUCTS

Content of Development

- **Gravure inks** and **Flexo inks** are required to have the range of functions that are needed for packaging, and to possess high-speed printability while ensuring high print quality.
- **Offset inks** that offer the high quality and high-definition required for paper media and information media and possess high-speed printability while offering excellent workability.
- We work to develop and improve this range of printing inks. As well as a range of coatings to improve functionality and printability, we also work on the development of coatings that add functionalities such as water and oil resistance, moisture proofing, anti-slip, gloss, press-on and easy peel properties, gas barrier properties, and antibacterial and antiviral properties. Our research and development of these products is premised on safety during printing and materials that are kind to the environment.

BOTANICAL INK

Environmentally-friendly ink that contains **plant-derived components.**

BOTANICAL INK®

The ink solid of the BOTANICAL INK developed by SAKATA INX contains more than **10% plant-derived components** from trees, seeds, and other sources.

Potential of "BOTANICAL INK"

By changing some of the solids contained in ink from the conventional petroleum-derived components to **plant-derived components**, BOTANICAL INK contributes to the **reduction of CO2 emitted** into the atmosphere from the perspective of carbon offsetting, where the CO2 absorbed by plants and the CO2 emitted when printed items are burned cancel each other out.

Washable Ink

SP-ECO is specifically developed to enhance recycling efficiency. This ink for removal of ink from PET beverage bottle labels, making it possible to **separate and recover** the bottle and film.

NC(nitrocellulose)/PVC(poly vinyl chloride)-free ink

Belle Color VF, is designed for gravure printing to enhance **recyclability in polyolefin-based** mono-material structures, meeting regulatory demands and sustainability targets without compromising quality or efficiency.

Deinking primers

If printing ink remains during recycling, the ink discolors the recycled plastic or becomes foreign matter, reducing the quality of the recycled plastic. The peeling off and deinking* of printing ink expands uses for **recycled plastics** and helps to promote **resource circulation**. SAKATA INX is contributing to the realization of a recycling-oriented society with the development of a deinking primer that uses an alkaline solution to peel off and deink multi-layered films, thus enabling the film to be recycled.

Starting with the problem of marine pollution caused by waste plastic, the way in which we use plastics is beginning to be questioned anew as we work towards building a sustainable society, considering a growing awareness of the need to achieve the **SDGs** and of environmental issues. On the other hand, plastic has a range of characteristics and is a superb material in terms of convenience, safety, and other aspects, and finding an alternative is very challenging as things stand. As such, paper packaging is starting to be reexamined against a backdrop of increasingly active development of biomass film and other materials as **environmentally-friendly products**. We believe that choosing paper as a packaging material will become a major trend going forward, and so the SAKATA INX Group is working on how to respond to the **switch to paper packaging.**

Functional Coating Agents:

The issue of marine pollution caused by plastic waste has raised environmental awareness and calls for the achievement of the SDGs. As people seek to build a sustainable society, the use of plastic is once again being questioned. While paper packaging has long been used in a variety of situations, it is actually quite difficult to be used as a substitute for plastic film because it is less durable and less capable of preserving contents than plastic film. We therefore compensate for these shortcomings by **applying coating agents** that give paper special functions and added value. This is our challenge: to **replace plastic film packaging with paper.**

Barrier Coatings:

EcoStage GB-XA is enhancing **food preservation and packaging recyclability**; these coatings promote sustainability through improved resource efficiency and minimized waste.

CHEMICAL MANAGEMENT SYSTEMS

Regulations Compliance

The Company complies with all applicable national regulations on chemical management, including legal requirements for chemical declaration, classification, labelling, and safe handling. All chemicals are managed in accordance with GHS standards and supported by updated Safety Data Sheets (SDS).

Chemical Substances Management System

- We provide customers with the necessary information on all products through **Safety Data Sheets and labels.** This ensures safety during handling and transportation and helps protect the environment through proper disposal.
- We are also working to **prevent soil contamination** by installing leak-proof walls on raw material tanks and holding drills to simulate accidents involving leaks of ink, oil, and other substances. There were **no cases of punishment** in FY2024. To enhance our chemical substance management capabilities as a Group, we also **collaborate with our Group** to efficiently share information.

Ensure Safety

- Our Group uses raw materials that **comply with the laws and regulations** and industry regulations in their respective countries, and we check relevant laws and regulations when developing, manufacturing, and selling products and services.
- Attention to such matters **ensures safety**. Should any doubts about safety arise, we immediately verify the facts and promptly take appropriate action.
- There were **no cases of punishment** in FY2024.
- **In-house training** is provided to ensure employees understand operational procedures, safety requirements, and relevant regulations.

Acquisition of ISO 9001 and ISO 14001

- As part of quality improvement efforts, we have obtained **ISO 9001:2015** certification.
- We have also obtained **ISO 14001:2015** certification to promote and continuously improve our own environmental conservation efforts.

Find more details on our ISO Accreditations
https://inx.com.vn/list-accreditations

Risk Management & Control

We conduct regular chemical risk assessments, prioritizing high-risk activities for control measures. These assessments involve employees, supervisors, and managers to ensure a comprehensive and practical approach. We also have an emergency response plan to mitigate any environmental risks.

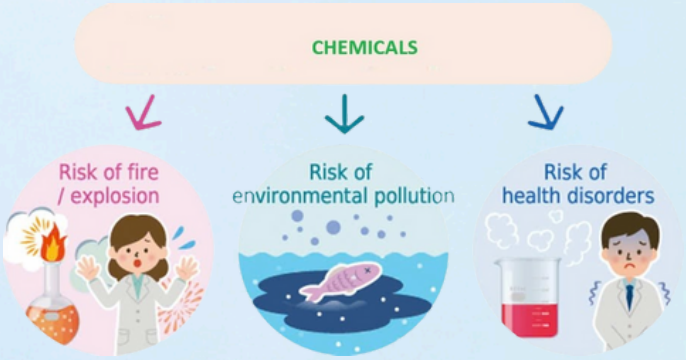
The Company has established a **Chemical Safety Committee** that meets regularly to review safety issues, evaluate compliance, and implement appropriate actions to ensure safe and responsible chemical management.

Supplier Chemical Management

We strive to manage raw materials and products in our supply chain to meet safety and eco-friendly standards, and fit the requirements of global customers, such as:

- Nestlé Guidance for Packaging Inks
- REACH Regulation (EU)
- Negative List Regulation (JPIMA – Japan)
- Biomass Reporting
- RoHS Directive
- And other Vietnamese local regulation requirements

We are gradually shifting from traditional chemical management to sustainable chemical management, in line with the company's ESG strategy. We will put our effort into continuing to expand the requirement for suppliers, encouraging the use of renewable materials, providing training on chemical standards for relevant employees, and increasing regular supplier assessments.



In line with the company's ESG strategy. In the near future, we will:

- Continue to **expand the requirement** for suppliers to complete Biomass Reporting, encouraging the use of renewable materials;
- **Provide training and communication** on international chemical standards like **REACH, RoHS, and Nestlé Guidance;**
- Increase **regular assessments** to ensure the entire supply chain complies with health, safety, and environmental requirements.

SOCIAL DISCLOSURES
HUMAN RIGHTS

Human Rights Respect

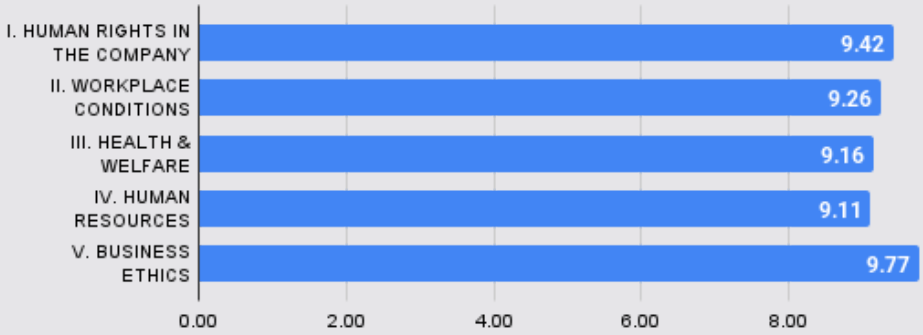
Following the Sakata INX Group Human Rights Policy, we respect the human rights of **all employees**, regardless of their employment status or any personal characteristics. Furthermore, we commit to **align with relevant human rights laws** in Vietnam, where we operate our business. Our **customers and business partners** are also expected to support and uphold these principles.

Freedom of association

We respect collective bargaining sessions in accordance with **applicable laws** and strive to fulfill the commitments stated in the **collective labor agreement.** Our Labor Representative Committee bridges the company and employees, promoting workplace association. This collaboration fosters **mutual understanding and ensures employees' voices are heard.**

Human Rights Appraisal

To ensure freedom of association, we conduct an **annual human rights survey** to give all employees a voice and encourage them to confidently share feedback on our human rights assurance mechanisms. In 2024, 206 employees were surveyed with **9.34 average score**.



- At a glance, the average point of this survey is in **the high rank (>9)**, showing that almost all **employees are satisfied** with the company's management, policies, workplace, welfare, and efforts.
- Younger age higher demand in welfare and development
- Higher education level, higher demand & expectation

Training & Development System

We schedule the training plan annually across diverse categories, including human rights, occupational health, safety, hygiene, firefighting, and the environment.

- Total training hours in 2024: **3,464 hours**
- Average training hours per employee: **~12 hours**

Living wage standards

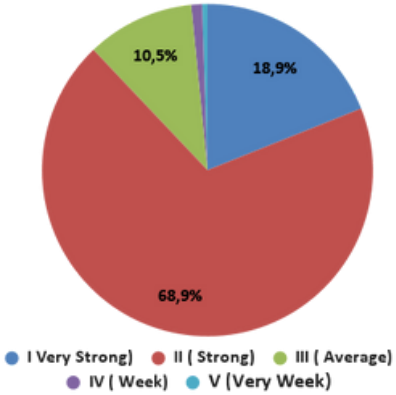
We conduct the living wage standard survey annually and compare it to the ANKER Research Institute's Living Wage Update Report.

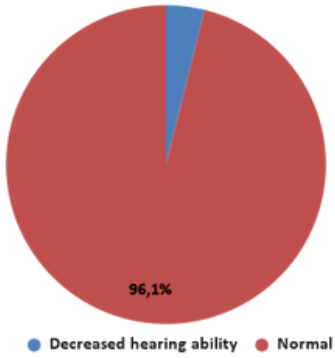
- The average living wage benchmark: **8.275.000 VND**
- The average wage of all employees: **9,577,905 VND**
- ANKER report's living wage/month: **8.970.296 VND**
- 100% employees are covered by a living wage benchmarking analysis
- Commit to covering 100% employees with a living wage by 2030.

Occupational Health & Safety

We uphold health & safety aspects in the workplace to perform our commitment to respect human rights and comply with applicable law in Vietnam.

- Health & safety report: Submitted full reports according to the **law's requirements**.
- Labor workplace monitor: Conduct the **survey** and **risk assessment** periodically to ensure compliance and take measures promptly. Continuous improvement is achieved through periodic audits, training programs, and employee engagement activities related to occupational safety awareness.
- Health checkup: Once a year for all employees, every 06 months for employees in the direct operation positions.





Almost all employees **maintained good health**. The employees were classified as category II due to their nearsightedness, and as categories IV & V due to not meeting height standards.

Regarding the results of occupational health examinations, only 3.9% of employees were found to have decreased hearing ability. No other occupational diseases were reported.

The Company guarantees the confidentiality of employees' health information and strictly prohibits the use of any health-related data or participation records for employment or performance decisions.

During the reporting period, the Company recorded **01 case of occupational accident-related** injuries relating fire firefighting matters. We organized training sessions for all employees and enhanced the PPE supplement for employees, especially new employees. We believe this will contribute to improving a strong compliance culture and the collective responsibility of all employees in upholding the Company's **"Safety First"** principle.

During the period 2022–2024, the Company's workforce increased from 247 employees in 2022 to 281 employees in 2024, while maintaining an average of **16 OHS training hours** per employee per year. Depending on the job category, annual OHS training hours are set as follows:

- Production workers: **24 hours/year**
- Office staff: **8 hours/year**
- Management staff: **8 hours/year**
- Safety and Environment officers: **24 hours/year**

Mental health & Work-life-balance and

To address major non-work-related health risks, the Company has implemented a range of voluntary health promotion programs focusing on both physical and mental well-being. Key initiatives include:

- **Mental health awareness** and stress management sessions integrated into internal communication programs.
- **Fitness and wellness activities**, including meditation classes and sports programs, to encourage physical activity and work-life balance.

These programs are **voluntary, free of charge, and conducted during paid working hours**, ensuring equal access and participation.

Diversity and equal opportunity

We prioritize diversity, equity, inclusion, and belonging as core values in our journey toward sustainable development and effective human capital management.

1. Diversity in Governance

We maintain a governance structure balanced in terms of experience, expertise, and strategic vision. The Company's leadership team includes members from both Vietnam and Japan, reflecting international collaboration and the legacy of Sakata INX Group.

By gender, women account for approximately **27% of the management team**, demonstrating recognition and encouragement of female leadership in manufacturing. By age, around **19 of 24 management members** are **between 30–50 years old**, forming the core operational team, while the remaining **five members over 50** ensure stability and experienced governance.

By nationality and expertise, **the leadership team includes both Japanese and Vietnamese** professionals with diverse backgrounds in printing technology, production management, finance, and sustainability. This diversity helps the Company maintain multi-dimensional perspectives in decision-making, combining Japanese discipline and efficiency with the flexibility and creativity of the Vietnamese team.

2. Diversity in Human Capital

- By gender, the **male-to-female** ratio is maintained at **81%–19%**, reflecting the nature of the manufacturing sector. And we continue to strive to implement diversity initiatives.
- By age, employees **under 35** account for approximately **51%**, those aged **36–45** make up **39%**, and those **over 45** represent **10%.** This age structure reflects a balanced combination of dynamic young talent and experienced long-serving staff.

No	RATE	Y2022	Y2023	Y2024
1	Percentage of women employed in the whole organization	18.62%	18.78%	19.01%
2	Percentage of women at top management level	17.00%	17.00%	17.00%
4	Average unadjusted gender pay gap	10.36%	9.17%	9.17%
5	Percentage of employees from a minority and/or vulnerable group in the whole organization	0.00%	0.00%	0.00%
6	Percentage of employees from a minority and/or vulnerable group at top management level	0.00%	0.00%	0.00%

3. Policy on Promoting Equality and Inclusion

Sakata INX Vietnam Co., Ltd. is committed to ensuring **equal career opportunities** for all employees, regardless of gender, age, marital status, ethnicity, religion, or any other personal characteristic. Policies are designed to be transparent and based on capability, work performance, and actual contributions.

4. Commitment to Sustainable Development

We believe that in the near future, Sakata INX Vietnam Co., Ltd. will continue to maintain and expand policies that promote diversity, aiming to create a work environment where every individual is respected, recognized, and empowered to reach their full potential.

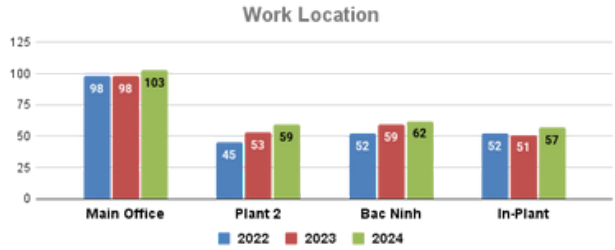
Since 09 October 2023, we have become a **signatory of WEP** (Women's Empowerment Principles) from UN Women. Through continuous communication, we strive to implement our initiatives on women's empowerment within the organization and the supply chain in the near future.

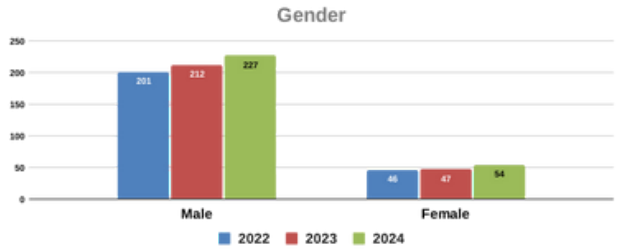
Find more details on our signatory on WEPs https://www.weps.org/company/sakata-inx-vietnam-co-ltd

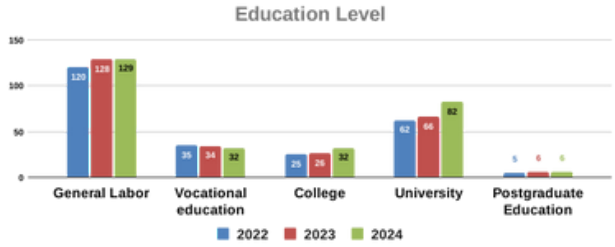
ABOUT
OUR EMPLOYEES

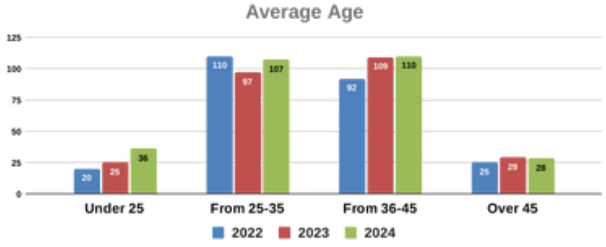
In line with the SAKATA INX Group's Human Resource Development and Workplace Environment Enhancement Policy, we consider human resources as the core of our organization.

I. AT A GLANCE









- **Methodology:** Employee data is compiled by synthesizing workforce information as of December 31st each year.
- **Baseline year:** 2022. Data for 2023 is provided for comparison purposes.
- **Context:** According to customers' requirements and business strategy, we provided In-Plant technicians who work at customers' manufactories. Due to the nature of the chemical business field, the male, and general worker ratio was at a high rate in our organizational structure.

Key findings:

Our total workforce has **steadily increased** over the past three years, with the Main Office consistently employing the largest share. Other locations maintained stable and comparable headcounts.

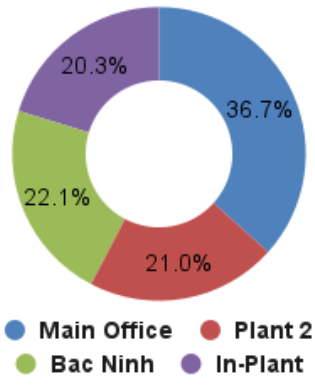
In 2024, the number of **female employees rose**, reflecting our ongoing DEIB initiatives.

Recruitment for **university-level positions** also increased to enhance workforce quality.

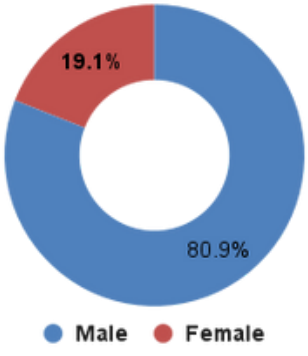
Most employees are **between 25 and 46 years old**.

II. THE DATA OF 2024

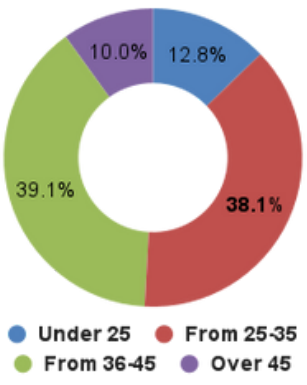
Work Location



Gender



Age



Education Level

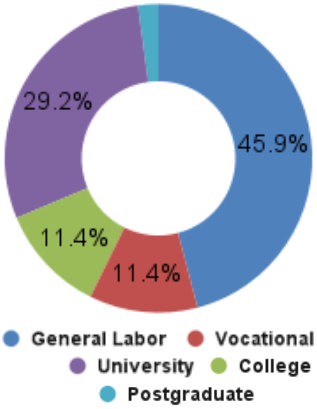


Table 1: Information on employees by gender

	FEMALE	MALE	OTHER*	NOT DISCLOSED	TOTAL
Number of employees	54	227	0	0	281
Number of permanent employees	0	0	0	0	0
Number of temporary employees	0	0	0	0	0
Number of non-guaranteed hours employees	0	0	0	0	0
Number of full-time employees	54	227	0	0	281
Number of part-time employees)	0	0	0	0	0

Table 2: Information on employees by work location

	Main Office	Plant 2	Bac Ninh	In-Plant	Total
Number of employees	103	59	62	57	281
Number of permanent employees	0	0	0	0	0
Number of temporary employees	0	0	0	0	0
Number of non-guaranteed hours employees	0	0	0	0	0
Number of full-time employees	103	59	62	57	281
Number of part-time employees	0	0	0	0	0

All of our employees are **full-time contract employees**, reflecting our commitment to providing **stable and decent work** in alignment with the Sustainable Development Goals (SDGs).

The company complies with labor laws and continuously improves its employment policies to strengthen employee well-being and job satisfaction, contributing to both individual and organizational growth.

By ensuring **fair employment conditions**, competitive benefits, and equal opportunities for all, we aim to create a secure and motivating workplace where employees can grow together with the company.

Key findings:

Although the total headcount increased, the company's gender ratio remained relatively stable. In 2024, the proportion of f**emale employees rose slightly by 0.79%**, reflecting our continuous efforts to maintain gender balance within the organization.

Compared with the previous year, workforce distribution by location showed some fluctuations. The number of employees at the Main Office decreased slightly, while Plant 2 saw an increase. Headcounts in Bac Ninh and In-Plant sites remained relatively stable without a clear trend.

In the reporting periods, **new hires** were mostly concentrated in the **25–35 age group**, accounting for over half of the total new employees each year. The proportion of employees under 25 also remained significant, reflecting the company's focus on attracting young talent.

Across locations, Plant 2 consistently recorded the highest number of new hires, followed by the Main Office and Bac Ninh Branch, while In-Plant had minimal recruitment activity. However, 36% of our employees have seniority of over 10 years, which is the consequence of continuous effort to enhance the workplace.

By gender, **male employees** dominated new hires, representing **over 94%** of total recruitment across all years. The company continues its efforts to promote gender balance in hiring practices as part of the company's DEIB commitment.

Total number and rate of new employee hires by age group, religion, and gender

Indicator/Year		2022		2023		2024	
New employee hires by age group	Under 25	7	38.89%	10	33.33%	8	47.06%
	From 25-35	10	55.56%	16	53.33%	6	35.29%
	From 36-45	1	5.56%	3	10.00%	3	17.65%
	Over 45	0	0.00%	1	3.33%	0	0.00%
New employee hires by region	Main Office	4	22.22%	9	30.00%	5	29.41%
	Plant 2	11	61.11%	15	50.00%	7	41.18%
	Bac Ninh	3	16.67%	6	20.00%	4	23.53%
	In-Plant	0	0.00%	0	0.00%	1	5.88%
New employee hires by gender	Male	17	94.44%	29	96.67%	16	94.12%
	Female	1	5.56%	1	3.33%	1	5.88%
	Total	18	100.00%	30	100.00%	17	100.00%

Employee turnover was highest among the 25–35 age group, consistently accounting for nearly half of total separations, indicating that this age segment tends to have higher mobility. The turnover rate among employees under 25 also remained notable, reflecting potential career transition or early-stage job changes.

By region, Plant 2 recorded the highest turnover in all reporting years, followed by the Main Office and Bac Ninh Branch, while In-Plant showed minimal fluctuations.

In terms of gender, male employees represented the majority of turnover cases (over 93%), consistent with their overall dominance in the workforce structure.

Total number and rate of new employee turnover by age group, religion, and gender

Indicator/Year		2022		2023		2024	
Employee turnover by age group	Under 25	3	17.65%	11	26.19%	6	20.69%
	From 25-35	8	47.06%	23	54.76%	13	44.83%
	From 36-45	6	35.29%	7	16.67%	8	27.59%
	Over 45	0	0.00%	1	2.38%	2	6.90%
Employee turnover by region	Main Office	3	17.65%	11	26.19%	8	27.59%
	Plant 2	10	58.82%	25	59.52%	13	44.83%
	Bac Ninh	2	11.76%	6	14.29%	7	24.14%
	In-Plant	2	11.76%	0	0.00%	1	3.45%
Employee turnover by gender	Male	16	94.12%	41	97.62%	27	93.10%
	Female	1	5.88%	1	2.38%	2	6.90%
	Total	17	100.00%	42	100.00%	29	100.00%

RESPONSIBLE PROCUREMENT

- Construction of a Responsible Supply Chain Structure
https://www.inx.co.jp/english/sustainability/social/scm/

Suppliers committed to Sakata Inx Corporation's Purchasing Policy & Guideline

We require all suppliers to sign the Group's Procurement Policy and Guidelines, ensuring full compliance with environmental aspects, social responsibility, and ethical standards throughout the supply chain.

The compliance rate for the entire supply chain is 87% (122 out of 140 suppliers):

- **Domestic suppliers:** commitment rate of 99% (88 out of 89 suppliers). This shows that managing and requiring compliance from domestic partners is being done very effectively.

- **International suppliers:** commitment rate of 67% (34 out of 51 suppliers).

Basic Procurement Policy and Procurement Guidelines

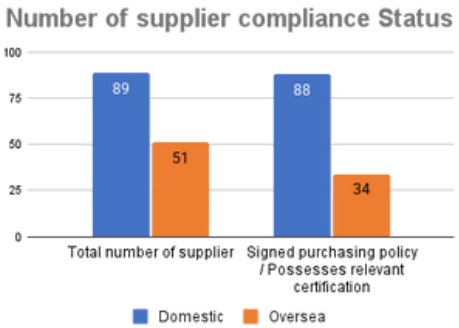
To build mutual trust and co prosperity with our suppliers and achieve a sustainable society, we strictly follow the SAKATA INX Group Basic Procurement Policy, which serves as the guidelines and philosophy for our procurement activities, and the Procurement Guidelines, which compile common considerations in procurement and business activities.

We treats suppliers as important partners in the provision of excellent products, goods, and services, and states that we shall fulfill our social responsibility as a company through fair, impartial, and honest procurement activities and by giving due consideration to society, global environmental protection and conservation, resource conservation, occupational health and safety, and human rights throughout our supply chain among other issues.

Due diligence for our supply chain

Our procurement guidelines require sincere business activities in compliance, consumer protection, environmental conservation, the labor environment, respect for human rights, coexistence with local communities, and the prevention of inappropriate provision of benefits, bribery, and corruption.

Regarding environmental considerations, they also provide for the setting of targets in reducing energy consumption and greenhouse gas emissions, reducing water consumption, and proper wastewater treatment and instituting the three-R (reduce-reuse-recycle). We recommend to our suppliers that activities for solving social issues be conducted in the whole supply chain.



Choosing Suppliers Based on Social Criteria

We are actively committed to sustainable development, focusing not just on profits but also on our social impact. Choosing more suppliers who meet social standards shows our effort to reduce risks, improve our brand reputation, and give back to the community.

Social Criteria Assessment is done during our supplier selection process and our annual supplier review. We use two methods:

- Direct factory visits.
- Supplier self-assessment questionnaires.

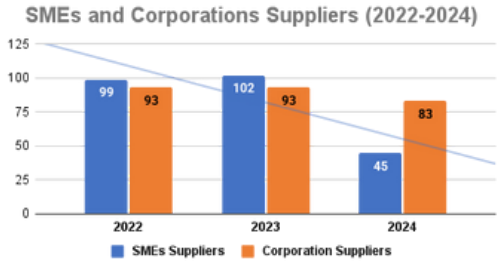
Year	Number of suppliers chosen by social criteria	Total number of suppliers
2022	58	192
2023	62	195
2024	71	128

Although the total number of approved suppliers decreased in 2024, the number of suppliers meeting social criteria grew significantly. This reflects our company's focus on raising selection standards and prioritizing sustainable development. This growth shows our policies and actions are becoming more effective at prioritizing responsible partners.

The diversity of Suppliers

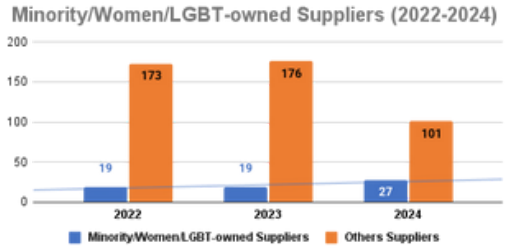
Methodology: Data collection based on the list of active suppliers who had transactions or valid contracts during each year's reporting period.

- "Domestic" or "International": based on the business registration country.
- "SMEs" or "Large Corporations": based on registered capital and employee count.
- "Minority/Women/LGBT-owned": based on registration details or self-declaration of ownership and control.



In 2022-2023, the ratio between domestic and international suppliers remained very stable, with domestic suppliers always making up about 65-66%. While improving supply chain efficiency by focusing on large strategic partners, we also strive to maintain a diverse purchasing policy, offering opportunities to many types of businesses.

A key point is that even with the sharp drop in total suppliers, the ratio between domestic and international suppliers remained very stable, with domestic suppliers always making up about 65-66%.



After no significant change in 2022 & 2023, the number of diverse suppliers actually grew in 2024 (from 19 to 27). This group's share of the total supply chain more than doubled, from 10% to 21%. The shift in 2024 sends a clear message about SIV's purchasing: We are building a supply chain that is both lean and efficient, as well as diverse and responsible.

Building a sustainable supply chain isn't just about saving costs or increasing efficiency; it's an opportunity to reshape our partner network to match our company's core values. By prioritizing large corporations for stability while also actively supporting and partnering with diverse businesses, we confirm our commitment to creating a business ecosystem that is both strong in performance and fair in opportunity

GRI INDEX

This report follows the GRI Content Index and references the GRI Standards 2021 to ensure transparent and consistent disclosure. The reporting period covers January 1, 2024, to December 31, 2024, and all information presented reflects Sakata Inx Vietnam's performance during this timeframe

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TOWARD SUSTAINABILITY DEVELOPMENT FUTURE