



Saitex International Dong Nai (VN) Co., Ltd

Disclosure Report

Date Submitted: April 17th, 2024



Disclosure Materials

Certified B Corporations must complete a Disclosure Questionnaire to identify potentially sensitive issues related to the company (e.g. historical fines, sanctions, material litigation, or sensitive industry practices).

This component does not affect the company's score on the B Impact Assessment. If the company answers affirmatively to any items in the Disclosure Questionnaire that B Lab deems relevant for public stakeholders, then, as a condition of their certification, the company must:

- 1) Be transparent about details of the disclosure issues identified on the company's public B Impact Report
- 2) Describe how the company has addressed this issue
- 3) Demonstrate that management practices are in place to avoid similar issues from arising in the future, when necessary.

In all cases, the Standards Advisory council reserves the right to refuse certification if the company is ultimately deemed not to uphold the spirit and integrity of the community.

In addition to the voluntary indication of sensitive issues in the Disclosure Questionnaire, companies pursuing Certification also are subject to a background check by B Lab staff. Background checks include a review of public records, news sources, and search engines for company names, brands, executives/founders, and other relevant topics.

Sensitive issues identified through background checks may or may not be within the scope of questions in the Disclosure Questionnaire, but undergo the same review process and are subject to the same possible review by the Standards Advisory Council, including ineligibility for B Corp Certification, required remediation, or disclosure.

B Lab's Public Complaints Process

Any party may submit a complaint about a current B Corp through [B Lab's Public Complaint Process](#). Grounds for complaint include:

- 1) Intentional misrepresentation of practices, policies, and/or claimed outcomes during the company's [certification process](#)
- 2) Breaches of the B Corp Community's core values as expressed in our [Declaration of Interdependence](#)

This document contains a copy of the company's completed Disclosure Questionnaire and related disclosure documentation provided by the company.



Disclosure Questionnaire

Industries and Products

	Yes	No
Please indicate if the company is involved in production of or trade in any of the following. Select Yes for all options that apply.		
Animal Products or Services	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Biodiversity Impacts	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Chemicals	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Alcohol	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Firearms Weapons	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Mining	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Pornography	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Tobacco	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Energy and Emissions Intensive Industries	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fossil fuels Gambling	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Genetically Modified Organisms	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Illegal Products or Subject to Phase Out	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Industries at Risk of Human Rights Violations	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Monoculture Agriculture	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Nuclear Power or Hazardous Materials	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Payday, Short Term, or High Interest Lending	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Water Intensive Industries	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Tax Advisory Services	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Outcomes & Penalties

	Yes	No
Please indicate if the company has had any formal complaint to a regulatory agency or been assessed any fine or sanction in the past five years for any of the following practices or policies. Check all that apply.		
Anti-Competitive Behavior	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Breaches of Confidential Information	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Bribery, Fraud, or Corruption	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company has filed for bankruptcy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Consumer Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Financial Reporting, Taxes, Investments, or Loans	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Labor Issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Large Scale Land Conversion, Acquisition, or Relocation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Litigation or Arbitration	<input type="checkbox"/>	<input checked="" type="checkbox"/>
On-Site Fatality	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Penalties Assessed For Environmental Issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Political Contributions or International Affairs	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Recalls	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Significant Layoffs	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Violation of Indigenous Peoples Rights	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>



Practices

	Yes	No
Please indicate if the following statements are true regarding whether or not the company engages in the following practices. Check all that apply. If the statement is true, select "Yes." If false, select "No."		
Animal Testing	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company prohibits freedom of association/collective bargaining	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company workers are prisoners	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Conduct Business in Conflict Zones	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Confirmation of Right to Work	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Does not transparently report corporate financials to government	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Employs Individuals on Zero-Hour Contracts	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Facilities located in sensitive ecosystems	<input type="checkbox"/>	<input checked="" type="checkbox"/>
ID Cards Withheld or Penalties for Resignation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
No formal Registration Under Domestic Regulations	<input type="checkbox"/>	<input checked="" type="checkbox"/>
No signed employment contracts for all workers	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Overtime For Hourly Workers Is Compulsory	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Payslips not provided to show wage calculation and deductions	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Yes	No
Sale of Data	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Tax Reduction Through Corporate Shells	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers cannot leave site during non-working hours	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers not Provided Clean Drinking Water or Toilets	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers paid below minimum wage	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers Under Bond	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Supply Chain Disclosures

	Yes	No
Please indicate if any of the following statements are true regarding your company's significant suppliers.		
Business in Conflict Zones	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Child or Forced Labor	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Negative Environmental Impact	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Negative Social Impact	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Environmentally Intensive Industries - Energy and Emissions Intensive Industries

Topic	Energy and Emissions Intensive Industries
Summary of Issue	As a manufacturer of denim products, company operates in an industry that is energy intensive. Aspects of the industry that make it energy intensive include its washing and production processes.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	Saitex's carbon intensity per unit is measured as 2510.11 kg CO2e/ PCS
Impact on Stakeholders	Industries with energy and emission intensive productions can contribute to GHG production which contributes to environmental harm.
Implemented Management Practices	<p>Saitex uses various energy sources which includes Gas, LPG, solar rooftop, DO, petro, electric and steam. The company monitors its energy usage.</p> <p>Company's primary contributors to its carbon footprint stems from the use of electric equipment as part of their manufacturing processes.</p> <p>Saitex has implemented energy saving programs at its production facility. The company uses a measure software on each energy-using product before it is used in the production processes. As part of its energy saving initiatives, Saitex uses energy-saving machinery and equipment such as: laser machine, PP robot (Chemical spray by robot), grinding by robot, Eflow washing machine, automatic drying conveyor. The company uses a hanging rack to dry products naturally using the sun and through collecting excess heat from the process evaporator system to supply for production.</p> <p>The company conducts energy audits on a weekly basis. The main performance indicators looked at in the audit includes equipment temperature, safety issues, current leakage, connections to earth wires, cleaning of electrical cabinets,</p>

safety covers of the electrical cabinet, electrical cabinets outside the building.

In addition, Saitex participates in the tree planting program with the GAIA Nature Conservation Center, a non-profit scientific and technical organization affiliated to the Vietnam Union of Science and Technology Associations (VUSTA). The company has purchased Gold Standard certified carbon offset. In 2023, the company had offset 2991.5 (tCO₂), which is equivalent to 30.42% of its total emission.

The company has an annual energy reduction KPI set out as ;

- 2% reduction of Annual electricity consumption
- 3 % increase of Solar power
- 1% reduction of Annual gas usage/ Diesel/ steam
- 2% reduction of Annual gas usage Petrol

Saitex had not been able to meet the reduction target in the last fiscal year. Although the company's electric usage was the same as the previous years (2022/2023), the current output is lower than last year due to the global economy. As minimum energy is needed to maintain the factory's compressor, cooling system and WasteWater treatment system, this creates a bigger impact per-piece when the production is low.

Saitex is in the initial stage of joining the Science Based Targets initiative (SBTi) program. The SBTi is a global body enabling companies and financial institutions to set ambitious emissions reductions targets in line with the latest climate science. It is focused on accelerating corporate climate action in line with halving global emissions before 2030 and achieving net-zero emissions before 2050. As a first step to joining the program, Saitex has pledged its commitment through submitting a letter establishing its intent to set a science-based target.



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Environmentally Intensive Industries - Water Intensive Industries

Disclosure Questionnaire Statement	
Topic	Water Intensive Industries
Summary of Issue	As a manufacturer of denim products, the company operates in an industry that is water intensive. Aspects of the industry that make it water intensive include its washing processes.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	Saitex's on-site water intensity for 2023 was approximately 48 liters/ PCS.
Impact on Stakeholders	<p>As a water intensive industry, the manufacturing sector poses risks such as water stress or depletion of local water sources if water use is not appropriately managed.</p> <p>Saitex uses water provided by the municipality and recycled water. Saitex's operations are not located in a water stressed region.</p>
Implemented Management Practices	<p>Saitex uses the Environmental Impact Measuring (EIM) software for tracking and measuring its water usage and wastewater release on a daily basis.</p> <p>The company conducts daily audits for its water use in the factory.</p> <p>Saitex currently uses modern water-saving equipment such as Efflow washing machines and ozone washing machines.</p> <p>The company utilizes the Effluent Treatment Plant (ETP) as part of its wastewater treatment system. The ETP recycles and reuses water for production purposes and collects the condensation from the evaporation of the ETP System for the toilet.</p> <p>Saitex conducts an assessment of how it compares with other companies in the garment manufacturing industry in terms of water usage and/or management using the HIGG FEM tool.</p>