

LyondellBasell Australia Modern Slavery Statement 2020



This joint statement is prepared on behalf of LyondellBasell Australia (Holdings) Pty Ltd and LyondellBasell Australia Pty Ltd (collectively referred to as “LyondellBasell Australia”), pursuant to the Australian Modern Slavery Act 2018 (Cth) (“Act”). It sets out the actions taken by the LyondellBasell Australia to address modern slavery risks in our Australian businesses and supply chains for the financial year ended December 2020.

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1. About LyondellBasell

LyondellBasell is one of the largest plastics, chemicals and refining companies in the world. Driven by its employees around the globe, LyondellBasell produces materials and products that are key to advancing solutions to modern challenges like enhancing food safety through lightweight and flexible packaging, protecting the purity of water supplies through stronger and more versatile pipes, improving the safety, comfort and fuel efficiency of many of the cars and trucks on the road, and ensuring the safe and effective functionality in electronics and appliances. LyondellBasell sells products into more than 100 countries and is the world's largest producer of polymer compounds and the largest licensor of polyolefin technologies.

2. Our Operations in Australia



LyondellBasell Australia, each an indirect wholly owned subsidiary of LyondellBasell Industries, is headquartered in Melbourne, Victoria and is the sole manufacturer of polypropylene (PP) in Australia. Polypropylene is a base material used in the manufacture of countless goods and products that enhance the quality of life for people around the world. Polypropylene resins are manufactured at Geelong, Victoria from propylene feedstock from local refineries and petrochemical plants. LyondellBasell Australia employs approximately 100 people, including chemical process operators, engineers, laboratory staff, instrument/electrical tradespeople, finance management and support, logistics and sales personnel and others.

2.1. Our Supply Chain

The majority of LyondellBasell Australia's purchases is from third party suppliers located in Australia

Operation	Supply Chains
Corporate	<i>Business administration services</i> <i>Office equipment and supplies</i> <i>IT equipment and services</i>
Polypropylene Plant	Refinery feedstocks Services contractors Environmental services Utilities and gases Chemicals supply Personal protective equipment and garments
Distribution	Road and rail transport services Warehousing and Packaging Shipping and Freight Forwarding

2.2. Risks in Operations and Supply Chain

LyondellBasell Australia is committed to conducting business in an ethical and responsible manner, which includes complying with applicable slavery and human trafficking laws.

All of LyondellBasell Australia's workforce are based in Australia and the types of products and services that the company purchases are mostly from within Australia or from countries posing a lower risk. Furthermore, the nature of the products purchased are generally of a high technical content and therefore more likely to originate from countries of low risk and operating themselves in industries which are significantly regulated and have modern employment conditions.

That said, LyondellBasell Australia recognises that all supply chains may carry some level of risk of modern slavery. We therefore have conducted a high level (procurement categories) assessment of risk of modern slavery being present (frequency and impact matrix) .

Considering the products and services purchased by LyondellBasell Australia we identified the supply chains which may have higher inherent risk of modern slavery including:

- IT equipment and services
- Personal protective equipment and garments
- Chemical raw materials originating from mining industries
- Shipping

3. Our demonstrated commitment to managing modern slavery risks

3.1. LyondellBasell's Code of Conduct

LyondellBasell's Code of Conduct embodies our dedication to conducting business ethically and responsibly by obeying the law and enabling a safe and productive work environment. LyondellBasell's Code of Conduct states that "we take great care to uphold human rights in all of our operations and facilities, regardless of local custom. We recognize that our Company has a responsibility to respect and protect human rights by doing the following: We do not use child or forced, indentured or involuntary labour". All employees, officers, directors, and anyone doing business on behalf of LyondellBasell are expected to know and abide by this Code of Conduct at all times. Rigorous training on the content and application of the Code of Conduct is mandatory for each and every employee, and each employee must periodically acknowledge that they have read, understood, and agree to comply with the Code of Conduct.

LyondellBasell takes seriously and fully investigates all potential Code of Conduct violations. The failure to report any suspected Code of Conduct violation or misconduct immediately may also be considered a violation of the Code of Conduct. When an allegation of an employee Code of Conduct violation is substantiated, the relevant management team reviews the investigation findings and determines disciplinary action consistent with the severity of the violation. Disciplinary action can include verbal or written warning, suspension with or without pay, demotion or, for the most serious offenses or repeated misconduct, employment termination.

3.2. LyondellBasell's Supplier Code of Conduct

LyondellBasell, including LyondellBasell Australia, has adopted, and incorporated in its standard purchase order terms and conditions, a Supplier Code of Conduct ("SCOC") that requires vendors to support the protection of internationally

recognized human rights and prohibit the use of forced, indentured or involuntary labour (including modern slavery and human trafficking) and child labour.

In particular, LyondellBasell Australia has implemented programs and standards that reflect the objectives of the Act including the following:

- A new “Ethical Conduct” grouping has been added to Procurements controlled document “Risk Assessment Procedure” to capture modern slavery and general code of conduct risk assessments
- All contract templates have been updated to include reference to SCOC and ethical sourcing
- All internal controlled procedural documents reference SCOC and modern slavery where relevant
- Completing the SCOC acceptance form which requires suppliers to take reasonable steps to ensure that they and their suppliers, have adequate procedures in place to prevent and address modern slavery is a prerequisite for existing and all new suppliers

3.3. Other Initiatives

LyondellBasell has implemented policies and initiatives including;

- Whistle-blower Policy
LyondellBasell has implemented whistle-blower policy and completed training of staff. Systems have been created to enable anonymous reporting channels for employees and public
- Authorized Economic Operator (AEO) in the European Union
Since 2010, LyondellBasell has actively participated in the AEO program in the European Union. AEO certifications are based on a voluntary certification program which aims to enhance international supply chain security, facilitate legitimate trade and ensure the integrity of the global supply chain. The AEO certification is granted by national customs authorities according to uniform criteria and requires, inter alia, high level of control of the flows of goods and the absence of serious or repeated infringements of customs legislation and taxation rules, including no record of serious criminal offences relating to the economic activity of the AEO. The AEO program involves customs audits prior to granting AEO certification and continuous supervision by customs authorities (including ad-hoc audits) of the activities of already AEO certified companies.
- U.S. Customs – Trade Partnership Against Terrorism (C-TPAT)
LyondellBasell has actively participated in the U.S. C-TPAT program since 2003. Like AEO, C-TPAT is a voluntary U.S. government program designed to increase security throughout the global supply chain. The C-TPAT program involves risk-based audits of program participants and unannounced audits of their suppliers.

4. Measuring our effectiveness

While LyondellBasell (including LyondellBasell Australia) frequently reviews its policies and procedures, the initiatives listed above in section 4 represent the current extent of LyondellBasell’s (1) verification of product supply chains to evaluate and address slavery and human trafficking risks in furtherance of the Act (LyondellBasell may not conduct such verifications through third-parties); (2) auditing of suppliers to evaluate supplier compliance with LyondellBasell’s standards regarding the Act (LyondellBasell does not necessarily conduct such audits in an independent or unannounced manner); (3) requirements of direct suppliers to certify that the materials incorporated in LyondellBasell’s products comply with laws regarding slavery and human trafficking in the countries where the suppliers do business; (4) maintenance of internal standards and processes for employees and contractors who fail to meet company standards regarding the Act; and (5) the provision of training for employees who have direct responsibility for supply chain management on this subject matter.

All of these together with regular internal audits provide us with a mechanism to help track the effectiveness of the management of modern slavery risks in our business. LyondellBasell Australia's focus for the next reporting period will be a more in-depth analysis of our supply chain risks highlighted in section 3.

5. Consultation

This statement has been prepared in consultation with LyondellBasell Industries N.V. based on its Human Trafficking and Anti-Slavery Statement For Financial Year 2020.

Since LyondellBasell Australia (Holdings) Pty Ltd is a holding company without any business transactions, this statement is mainly prepared according to the business operations of LyondellBasell Australia Pty Ltd.

We have scheduled regular meetings with directors of LyondellBasell Australia to discuss approaches to the Act and relevant issues on an annual basis.

6. Approval

This statement was approved by the boards of directors of LyondellBasell Australia (Holdings) Pty Ltd and LyondellBasell Australia Pty Ltd on 25th June 2021.



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Mitchell Killeen

Director, LyondellBasell Australia (Holdings) Pty Ltd and

Director, LyondellBasell Australia Pty Ltd

Date: 28th June 2021