

## Modern Slavery Statement 2020

### PROTECTING HUMAN RIGHTS AND DIGNITY

#### Indorama Ventures Oxides Australia Pty Limited - Modern Slavery Statement

#### 1. Introduction

This statement is made under the *Modern Slavery Act 2018 (Cth) (Act)*. It sets out the actions taken by Indorama Ventures Oxides Australia Pty Limited ACN 083 984 187 ("**Indorama**", "**us**", "**our**" or "**we**"), to assess and address modern slavery risks in our operations and supply chain during our financial year ending 31 December 2020.

#### 2. Our Structure, Operations and Supply Chain

2.1. Indorama Ventures PCL (IVL) is a global company with its head office located in Thailand. Indorama is wholly owned by IVL which is a leading chemical company, manufacturing a multitude of products including nitrogen fertilisers, phosphate fertilisers, polyethylene, polypropylene, polyester, polyester feedstocks, textiles, cotton fiber and medical gloves.

2.2. Indorama's Australian operations are based at two primary locations – a Head Office and R&D centre in Brooklyn, Victoria and a manufacturing plant in Botany, New South Wales. There are 117 employees in Australia.

We are one of the world's leading  
petrochemicals producers with

A presence in  
**33 countries**

**123**  
Manufacturing facilities

**24,000** professional  
employees

Consolidated Revenue  
**11.4**  
billion USD  
(end of 2019)

#### 3. Our Vision

Our vision is to be a world-class chemical company making great products for society.

#### 4. Our Mission

We commit to be a responsible industry leader leveraging on the excellence of our people, processes, and technologies to create value for our stakeholders.

#### 5. Our Supply Chain

##### 5.1. What we buy

5.1.1. We source a diverse range of goods and services through our upstream supply chain. Our Purchasing and Supply Chain teams are responsible for the procurement of goods and services and maintaining our warehouses and inventory.

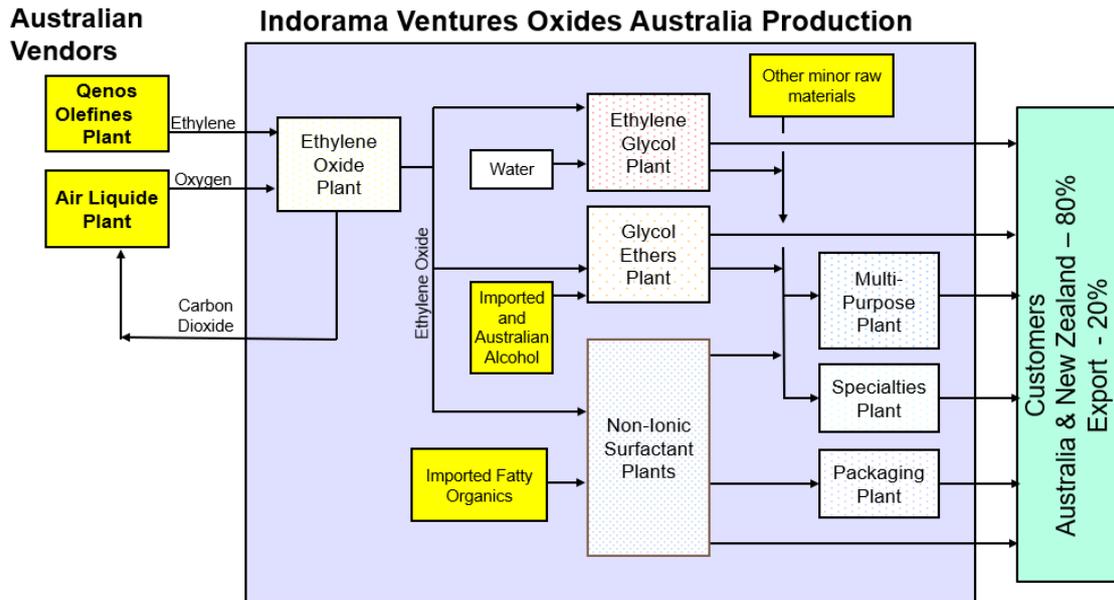
5.1.2. Our top spend categories are:

- 5.1.2.1. Petrochemical feed stocks;
- 5.1.2.2. Chemical raw materials;
- 5.1.2.3. Engineering materials and services;
- 5.1.2.4. General industrial e.g. waste disposal;
- 5.1.2.5. Packaging and Logistics (air, road and rail), shipping and freight;

## Modern Slavery Statement 2020

- 5.1.2.6. Energy, gas and utilities; and
- 5.1.2.7. Support material and services (e.g. IT infrastructure etc).

5.1.3. Indorama's supply network is extensive, spanning across numerous countries in Africa, Asia, and also Australia. The below diagram illustrates how we obtain chemicals from our suppliers which are channelled into our operations plant, and then finally distributed to our customer base in Australia, New Zealand and further abroad.



### 5.2. What we produce

5.2.1. For more than 50 years, Indorama has supplied products into key industries that include:

- 5.2.1.1. Surfactants: Integrated producer of a wide range of products for home and personal care, oilfield technologies, agriculture and process industries; and
- 5.2.1.2. Functional fluids: Ethylene glycol, automotive coolant and brake fluids and solvents like Glycol Ethers.

5.2.2. Our plant in Botany is a manufacturing facility which is responsible for producing the following products:

- 5.2.2.1. Ethylene Oxide;
- 5.2.2.2. Ethylene Glycols, Glycol Ethers & blends;
- 5.2.2.3. Nonionic Surfactants & blends;
- 5.2.2.4. Automotive Coolants and Brake fluids;
- 5.2.2.5. Specialty surfactants; and
- 5.2.2.6. Additional chemistries including alkyl polysaccharides and amine oxides.

5.2.3. These products are distributed via road tankers, isotanks, IBC or 200-litre drums. We contract out our logistics and warehousing services to supply our products across Australia, New Zealand and globally.

## Modern Slavery Statement 2020

### 5.3. Our Customers

5.3.1. We engage with over 150 customers across Australia and New Zealand. Our Australian and New Zealand customer orders cover approximately 80% of our revenue. The balance of activity is comprised of exports to other jurisdictions, including several countries in each of the continents of Asia, Europe and Africa, as well as the United States of America.

5.3.2. In the 2020 financial year, we engaged directly with more than 100 suppliers from approximately 38 countries. Indorama's largest category of spend is on petrochemical feed stock. The supply chain of products and services that contribute to our operations include manufacturing the products, the importation of certain materials to package the products, and sale of finished products.

### 6. Risks of modern slavery practices in our operations and supply chain

6.1. We have identified that the key area of risk for modern slavery in our operations and supply chain is associated with raw materials sourced from medium to high risk countries. For clarity, we have used the Global Slavery Index in this section of the Statement to classify what constitutes a 'medium' or 'high' risk country.<sup>1</sup>

6.2. With regard to our operations, Indorama ensures that all its personnel receive salaries above-minimum wage and lawful working conditions, as well as ensuring all relevant personal possess valid work visas under Australian law. We have assessed our hiring practices as low-risk due to these listed measures being in place.

6.3. With regard to our supply chain and based on the above criteria, materials sourced from Australia and Singapore are ranked as low-risk. Within Indorama's supply chain, we consider our purchase of ethylene, oxygen and short-chain alcohols to be low risk.

6.4. As of the date of publication of this Statement, materials from the following five countries are considered to be from medium- to high-risk: China, Philippines, Indonesia, India and Thailand. The largest import by volume for Indorama from these five countries is fatty organics and is a risk we assess to be medium.

6.5. Other minor raw materials that Indorama sourced from countries other than those mentioned above were assessed as a low priority for this particular reporting period because of their lower percentage ranking on the Global Slavery Index. Indorama will work to ensure it reviews the risks of modern slavery in its operations and supply chain each new reporting period to ensure it provides the most up-to-date assessments of risk as far as possible when publishing future Modern Slavery Statements.

### 7. Actions we take to assess and address these risks

#### 7.1. Current actions

##### 7.1.1. Our Policies

7.1.1.1. Prior to the enactment of the Act, Indorama and its affiliates have had a longstanding set of policies in place to assess and address risks of modern slavery. These include our 'Employee Code of Conduct',

---

<sup>1</sup> Global Slavery Index (2018) <https://www.globalslaveryindex.org/>.

## Modern Slavery Statement 2020

'Supplier Self-Assessment', 'Whistleblower Policy', 'Human Rights Policy' and finally our 'Supplier Code of Conduct' which are embodied in our Corporate Governance Manual (collectively, the "Policies"). These Policies ensure that our team members and suppliers are dedicated to managing social, ethical and environmental issues in a responsible manner that is consistent with our values. Minimising discrimination, ensuring wages and working hour legislation is adhered to, and prohibition of child labour and forced/compulsory labour are targeted through the Policies to ensure that risks of modern slavery throughout Indorama's supply chain are discouraged and, ideally, eliminated as far as is practicable.

- 7.1.1.2. At Indorama, we value education and transparency, and each of our employees and suppliers is made aware of the expectation that they will be familiar with and comply with relevant Policies. Suppliers are also able to report unethical and illegal compliance issues with regards to the Policies to IVL in Thailand.



### Committed to protecting human rights

At IVL, we strongly believe in the rights and dignity of people. Slavery and human trafficking in any form are prohibited throughout our Group and supply chain.

We believe in having an inclusive environment and a diverse workforce. Diversity is not only one of our core values, it is also a hugely important asset. As a global company, we value the variety of knowledge, perspectives and experiences throughout our organization, and draw strength from our worldwide team to fuel our competitiveness.

Alope Lohia

- 7.1.1.3. We are committed to protecting human rights throughout our entire value chain. We require our suppliers to comply with all applicable laws and regulations, to ensure health and safety in the workplace and to deploy appropriate labour and hiring practices.
- 7.1.1.4. IVL expects that its suppliers will establish and maintain appropriate management systems related to the content of our Supplier Code of Conduct. Across Indorama and its affiliated entities, a contractually binding global procurement directive is in place which establishes the Human Rights Policy and Supplier Code of Conduct to safeguard human rights in our supplier selection process.
- 7.1.1.5. IVL's Workplace Human Rights Assessment (**WHRA**) framework includes four different levels: corporate, country, site, and product. The four different levels cover the following stakeholders for our operations including joint ventures: own employees, children, indigenous people, migrant labour, third-party contracted labour and local communities. A diagram of the WHRA framework is included below:

## Modern Slavery Statement 2020

### 1 Corporate Level

The corporate level identifies emerging trends in human rights and initiates risk mitigating actions

### 2 Country Level

A country initiates specific actions based on the Human Rights Risk Assessment

### 3 Site Level

Site/business units initiate specific actions based on the Human Rights Risk Assessment

### 4 Product Level

Product specific risks are to be mitigated in consultation with manufacturing heads

- 7.1.1.6. With a view of requiring suppliers to be contractually bound to our Supplier Code of Conduct in future, Indorama is continuously assessing its supplier on-boarding process. In the event compliance with our Supplier Code of Conduct does not occur, we aim to impose future consequences upon suppliers up to, and including, e supplier termination.
- 7.1.1.7. These policies will be monitored and updated from time to time to ensure that we approach our social, ethical and environmental responsibilities in an appropriate, contemporaneous and agile manner.

#### 7.1.2. Modern Slavery Committee

- 7.1.2.1. Indorama has established a Modern Slavery Committee (“**Committee**”), comprising several senior leaders of the organisation in the Procurement, Supply Chain, Quality and other functional departments. The role of the Committee, in addition to the preparation of our modern slavery statement, is to include, but not be limited to, the following:
  - 7.1.2.1.1. identify and address any modern slavery risks in our operations and supply chain (i.e. remediate any incidents if and when they arise);
  - 7.1.2.1.2. identify means to reduce or mitigate the risks of modern slavery;
  - 7.1.2.1.3. assess the effectiveness of measures implemented by the organisation to address the risks of modern slavery; and

## Modern Slavery Statement 2020

- 7.1.2.1.4. develop programs, practices and procedures to enhance Indorama's response to modern slavery.
- 7.1.2.2. Indorama has set out the below objectives that it intends to meet by the end of the 2021 financial year in addressing modern slavery risks in its operations and supply chain.

### 7.2. Further actions

#### 7.2.1. Due diligence

We will review our Supplier Code of Conduct and will implement a more stringent comprehensive compliance process when we on-board suppliers from countries identified as medium- to high-risk. This will include, but not be limited to, a supplier questionnaire for suppliers from these countries.

#### 7.2.2. Audits

We will develop and implement an audit program that will monitor risks associated with modern slavery. This audit program may involve carrying out further diligence with respect of our existing supply chain to determine if they are meeting the requirements of the Supplier Code of Conduct and our expectations around the treatment of personnel and human rights.

#### 7.2.3. Tailored employee communication and training

Indorama continues to take steps to increase employee awareness and engagement regarding modern slavery. Moving forward, we will send communications to all employees and personnel about modern slavery risks and the measures we are taking as an organisation to reduce risk in our operations and supply chain.

### 8. Assessing the effectiveness of the actions we take to address the risks of modern slavery

- 8.1. Indorama's Modern Slavery Committee plays a key role in assessing the effectiveness of actions taken within the organisation to identify and address modern slavery risks. The Committee will continue to maintain the risk management framework that has been established to identify, assess, and mitigate risks relating to modern slavery. It will continue to meet regularly and review any remediation actions implemented or mechanisms put in place in the event of an identified breach to ensure its effectivity at removing or controlling the risk.
- 8.2. We will aim, moving forward, to track our performance in addressing the modern slavery risks by using the following mechanisms:

Our Process	The activity	Our measurement tool
Governance	Modern Slavery Committee oversight	Quarterly review meetings to discuss any issues that may arise or have arisen
	Team member training & communication	Review training completion & communications issued to ensure compliance and all team members are up-to-date with training

## Modern Slavery Statement 2020

	Policy review	Completed policy reviews in line with plan outlined in this table
Risk framework	Annual risk assessment	Risk assessments undertaken by country and commodity
	Supplier on-boarding & risk segmentation	Supplier segmentation by risk category
		Mitigation plans in place for suppliers identified as medium-high risks
Monitoring	Supplier self-assessment questionnaire (SSAQ)	% SSAQ completed in line with plan
		Identified gaps assessed for criticality
		Critical gaps actioned by implementing defined action plans

This statement was approved by the Board of Indorama Ventures Oxides Australia Pty Limited.

Signed,



**Dr Esennur Elizabeth Tsdelen**  
Regional Business Director, ANZ  
Indorama Ventures Oxides Australia Pty Limited