



# Modern Slavery Statement 2021

## PROTECTING HUMAN RIGHTS AND DIGNITY

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

#### 1. Introduction

- 1.1. This statement is made under the *Modern Slavery Act 2018* (Cth) (**Act**) ("**Statement**"). 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 2021.
- 1.2. Indorama is committed to protecting and respecting our employees, customers, shareholders, supply chain workers and the local community. Central to our commitment is the strict adherence to high ethical standards and integrity.

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

- 2.1. Indorama Ventures PCL (**IVL**) is a global sustainable company headquartered in Bangkok, Thailand. As of 2021, IVL has a consolidated revenue of \$14.6 billion USD and operates in 35 countries across Australia, Asia, North America, South America, Africa and Europe. IVL has 140 manufacturing facilities and employs more than 26,000 people.
- 2.2. Indorama is wholly owned by its immediate Australian parent entity, Indorama Ventures Holdings Pty Limited, which is solely a holding investment entity with no trading operations or employees. The Australian group is wholly owned by IVL manufacturing a multitude of products including offering a wide range of petrochemicals products, the group of products are Feedstock, PET, Packaging, Fibers and Recycled products.
- 2.3. Indorama does not own or control any of the other entities and this Statement is submitted on behalf of Indorama as the only reporting entity. Indorama has two primary locations in Australia - a Head Office and Research & Development centre in Brooklyn, Victoria and a manufacturing plant in Botany, New South Wales.

#### 3. Our Vision

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

#### 4. Our Mission

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

#### 5. Our Supply Chain

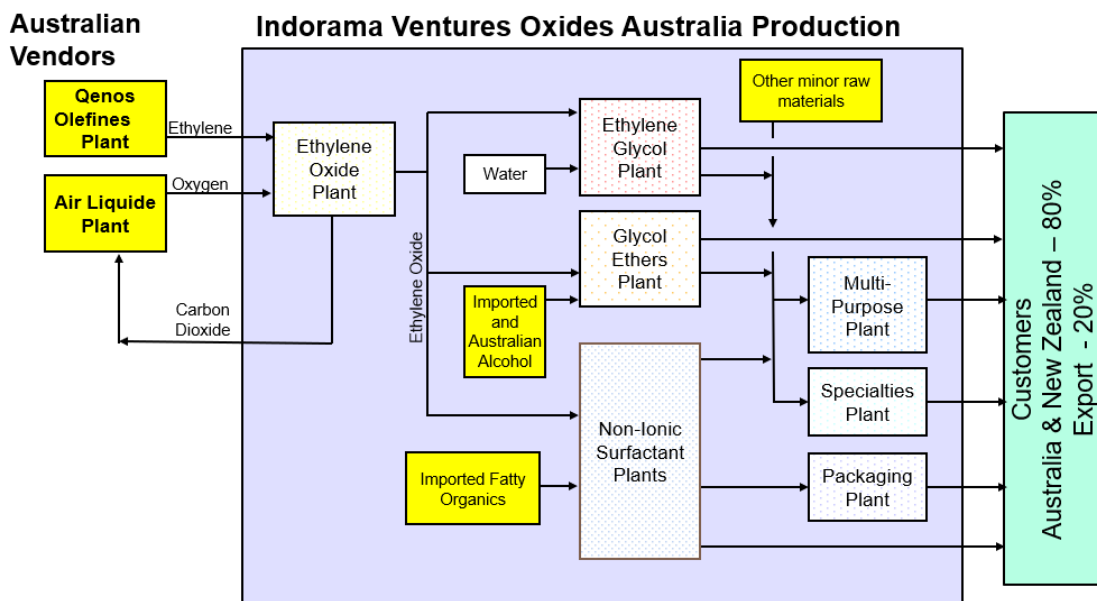
##### 5.1. What we buy

- 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:

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- 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;
- 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 channeled into our operations plant, and then finally distributed to our customers 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:

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

5.2.2. The manufacturing plant in Botany, New South Wales is responsible for producing the following products:

- Ethylene Oxide;
- Ethylene Glycols, Glycol Ethers & blends;
- Nonionic Surfactants & blends;
- Automotive Coolants and Brake fluids;

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- Specialty surfactants; and
- 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.

### 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 2021 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 recognise that modern slavery risks can occur in both Australian and overseas operations and supply chains. Our assessment is that the risk of modern slavery or human rights breaches in our own operations is low. However, with a multi-tiered and diverse supply chain portfolio, there are circumstances where it is difficult to have clear oversight over broader risks throughout our supply chain.

### *Our operations*

6.2. With regards to our operations, Indorama ensures that all operations are carried out in a manner which is compliant with applicable labour laws and standards. All Indorama personnel receive salaries above-minimum wage and lawful working conditions, as well as ensuring all relevant personnel 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. Our operations are otherwise conducted at facilities in respect of which appropriate policies and procedures are in place to prevent the risk of modern slavery, including the policies listed in section 7.1.1 of this Statement.

### *Our supply chain*

6.4. We have identified that the key area of risk for modern slavery in our supply chain is the purchase of raw materials sourced from medium to high risk countries. We have used the Global Slavery Index<sup>1</sup> in this section of the Statement to classify what

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

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constitutes a 'medium' or 'high' risk country.

- 6.5. With regards to our supply chain, and based on the above criteria, materials sourced from Australia and Singapore (including ethylene, oxygen and short-chain alcohols) are ranked as low-risk.
- 6.6. 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.
- 6.7. Other minor raw materials that Indorama sources 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.
- 6.8. 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. Indorama and its affiliates have had a longstanding set of policies and a framework in place that requires each division to respect and safeguard universally recognised human rights and address risks of modern slavery. These include our 'Employee Code of Conduct', '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**").
- 7.1.1.2. 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. The Policies minimise discrimination, ensure wages and working hour legislation are adhered to, prohibit child labour and forced/compulsory labour and ensure that risks of modern slavery throughout Indorama's supply chain are discouraged and, ideally, eliminated as far as is reasonably practicable.
- 7.1.1.3. At Indorama, we value education and transparency, and each of our employees and suppliers are made aware of the expectations that they will be required to become 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.

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- 7.1.1.4. 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.
- 7.1.1.5. IVL expects that its suppliers will establish and maintain appropriate management systems related to the content of our Supplier Code of Conduct <sup>2</sup>. 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.
- 7.1.1.6. 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:

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<sup>2</sup> <https://www.indoramaventures.com/en/our-company/governance/code-of-conducts>

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### 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

- 7.1.1.7. 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 of non-compliance with our Supplier Code of Conduct and/or any unwillingness to take appropriate action to remedy any non-compliance, Indorama reserves the right to impose consequences upon suppliers up to, and including, termination of our business relationship with the supplier.
- 7.1.1.8. 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. For areas of the supply chain where there is an increased risk of modern slavery or human rights issues, we apply additional due diligence and monitoring activities.

#### 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);

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- 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
  - 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 2022 financial year in addressing modern slavery risks in its operations and supply chain. These objectives have been developed internally and are the basis for implementing actions to proactively assess and manage risk.

### 7.2. Further actions

#### 7.2.1. Due diligence

In the 2020 financial year, Indorama committed to implement a more stringent and comprehensive compliance process when it on-boarded suppliers.

In light of this commitment, we have updated our Supplier set-up form to include a link to the Supplier Code of Conduct which each new supplier must sign to confirm their acceptance before they are accepted as a vendor in our system. If the Supplier refuses to confirm their acceptance of the Supplier Code of Conduct, they will not be on-boarded as a new supplier.

#### 7.2.2. Audits

We will continue to assess responses to our supplier questionnaires with the focus on those countries identified as medium to high risk. If there is a potential supplier risk identified, an audit and/or further due diligence may be required to determine if the supplier is meeting the requirements of the Supplier Code of Conduct and other expectations associated with modern slavery prevention.

#### 7.2.3. Tailored employee communication and training

Indorama continues to take steps to increase employee awareness and engagement regarding modern slavery. We have engaged the services of an expert from a professional legal practice to provide training on Modern Slavery for all relevant personnel which included: Purchasing, Supply Chain, Sales Team, Technical team, management and the Quality team. We will continue to 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, and will provide refresher training to relevant team members as required.

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

- 8.1. Indorama's Committee plays a key role in assessing the effectiveness of actions taken within the organisation to identify and address modern slavery risks. 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.

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8.2. We will continue to track our performance in addressing the modern slavery risks by using the following mechanisms:

Our Process	The activity	Our measurement tool	Status	Commentary/ongoing focus
Governance	Modern Slavery Committee oversight	Quarterly review meetings to discuss any issues that may arise or have arisen	Ongoing	The Committee intends to focus on the effectiveness of actions taken in relation to the risk in commodities of concern. This will involve expanding due diligence activities and assessments.
	Team member training & communication	Review training completion & communications issued to ensure compliance and all team members are up-to-date with training	Formal training completed for financial year 2021 (ongoing focus)	Indorama maintains a continuous focus on training and collaboration to improve the awareness and knowledge amongst our team members. Team member training is an effective tool to ensure team members are aware of ethical sourcing processes and adequate standards required in relation to their role.
	Policy review	Completed policy reviews in line with plan outlined in this table	Annual review completed for 2021 with ongoing focus on supplier management and employee awareness.	This involves monitoring and reviewing the effectiveness of risk management measures relied upon by Indorama. Indorama is committed to improving its current Policies and regularly update individual policies where necessary throughout the year in accordance with emerging risks and opportunities.
Risk framework	Annual risk assessment	Risk assessments undertaken by country and commodity	Completed - No significant change in general regarding activities or nature and source of risks and the relevant risk matrix between	This initiative assessed the risks of modern slavery across our operations. This involved the audit of suppliers and addressed the level of risk that they present.



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			financial years 2020 and 2021 due to consistency across operations and supply chain over those periods.	Each commodity/country is responsible for identifying and managing any material risks in their operations.
	Supplier on-boarding & risk segmentation	Supplier segmentation by risk category	No change as per Global Slavery Index ver. 2018	This requirement ensured adequate due diligence is undertaken on new suppliers to determine their risk level and current control procedures in relation to ethical sourcing and modern slavery preventatives.
		Mitigation plans in place for suppliers identified as medium-high risks	No change	This process enabled suppliers to address the modern slavery risks prevalent in their supply chain and operations. The mitigation plan requires improvement to be made in areas that lack proper due diligence initiatives.
Monitoring	Supplier self-assessment questionnaire (SSAQ)	% SSAQ completed in line with plan	<b>~60% responses received- still awaiting more reports</b>	This allowed suppliers to voluntarily complete a self-assessment of its modern slavery practices. The questionnaire aims to identify the gaps in our suppliers' ethical business procedures and we will work with our suppliers to improve their management of the risk of modern slavery. We aim to receive returned questionnaires throughout the following year to assist with identifying modern slavery breaches.
		Identified gaps assessed for criticality	None identified from the supplier self-assessment questionnaires received	
		Critical gaps actioned by implementing defined action plans	None required from the supplier self-assessment questionnaires received.	



## Modern Slavery Statement 2021

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

This Statement solely operates for Indorama and there are no other entities which are owned or controlled under Indorama.

Signed

*Esennur Elizabeth Tasdelen*

**Ms Esennur Elizabeth Tasdelen**  
Regional Business Director, ANZ  
Indorama Ventures Oxides Australia Pty Limited