

THE

# BEACON

INDORAMA  
VENTURES

VOLUME #25

AUGUST 2020



**2019 Sustainability Report:** Driving Towards a Circular Economy



**Welcome to the IVL 360 Gallery:** An experience center with business facilities



**A.S.A.P.:** Enabling IVL to be future ready



ONLINE VERSION

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## **A New Level of Ambition for Corporate Sustainability**

Indorama Ventures PCL was accepted as a Participant of the United Nations Global Compact, joining a global network of over 1,000 companies that are committed to building a sustainable future.



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Indorama Ventures PCL

C H E M I C A L S | P O L Y M E R S | F I B E R S



## EDITOR'S NOTE

Dear Readers,

Adaptation is a key theme in this issue of The Beacon, and with good reason. COVID-19 has knocked many industries back on their heels, and although progress in pharmaceutical development has been encouraging, it is clear that many changes brought about by this pandemic will be with us for a long time to come. Yet we are determined to remain resilient.

As we show in this issue, PET is already being used to improve hygiene in medical and non-medical situations around the world. The versatility of PET and other Indorama Ventures materials, together with your continued hard work, has contributed to our business continuity in these difficult times.

In this same spirit of positive adaptation, Indorama Ventures is also implementing its Aligned Systems and Processes (A.S.A.P) initiative to let our offices and manufacturing sites collaborate easier and effectively around the world.

You'll read about all of these developments and more in the current issue, including a special story from our sites in the Czech Republic and Egypt.

We hope you enjoy this issue of The Beacon – and as always, please email us at [communications@indorama.net](mailto:communications@indorama.net) any comments or suggestions that come to mind.

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Keep up with everything IVL has to offer on  
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Indorama Ventures is paying close attention to each new development concerning COVID-19, as we continue to observe all the recommended protocols during this delicate period. Although there is no guarantee of a quick end to this crisis, we will continue doing our best for each other and for the world.

With all the concerns and disruptions related to the pandemic, it is important to also take note of some positive developments. Our Global Emergency Management Team (GEMT) has been working efficiently to support internal wellness and safety, balancing the scales of various situations across our sites worldwide. In addition, we also set up in 2020 a philanthropic fund of US\$2.5 million to deliver much-needed support, making sure that our communities are receiving help throughout this period.

GEMT and other leaders have stepped up in this hour of need, but the heart and soul of the company is focused on our team of employees in every continent. Everything we have achieved up to this point is the result of your hard work and expertise. We hope for the lasting good health for all members of our IVL family along with your loved ones, as we make our way through the pandemic. Safety is our primary concern and the management is doing its utmost to support all stakeholders during this unprecedented crisis.

Although we have not gotten past this virus yet, we must keep our spirits high. When times are hard, it is continued dedication that keeps our company moving forward. Since the very beginning, Indorama Ventures has always strived to serve the global community through our vision, mission, and values. It is this sense of community that has held us together so impressively during the present challenge. In short, we are here for each other – and that is why we succeed.

“I am proud and inspired by the way we have risen to the challenge – with flexibility, compassion, and courage – the IVL way. Let this be our culture for times to come.” – Mr. Alope Lohia, GCEO of Indorama Ventures.

# INDORAMA VENTURES RESPONDS TO COVID-19

FOCUS



## THE IVL PHILANTHROPIC FUND

Indorama Ventures proudly operates as a global entity and since the beginning of the year, we have witnessed the effects of this COVID-19 outbreak in our communities across the world. We are a responsible company, and as part of our commitment to the local communities where we are situated, a philanthropic fund of US\$ 2.5 million was set up in 2020 to help them. It is now, more than ever, to ensure that in times like these we continue to look at how we can help those around us who may be affected by the pandemic of COVID-19.

This fund is intended to be utilized at IVL locations worldwide to support as many people as possible and make sure that this help reaches areas of the community in need. Thanks to the cooperation of our representatives at each site and volunteers who have dedicated time to these contributions, the fund is now being distributed to various organizations worldwide and will continue to play a part throughout the year.

## IOD SANITIZERS

Indorama Ventures has been working hard to offer support in compliance with COVID-19 regulations. In April, our Integrated Oxides and Derivative business (IOD) experts in Australia, India and the USA collaborated to successfully utilize existing facilities to manufacture hand sanitizers. They were able to provide over 14,300 gallons of sanitizers to government and public sectors in the USA to help relieve the shortage of essential supplies.

Mr Alastair Port, President of IOD, said "We are very proud of our teams, who have worked on a global platform, to rapidly bring these products to our local communities and front line workers, to help them fight the spread of this virus."

Mr. DK Agarwal, Chief Executive Officer of the combined PET and IOD business, said, "In this moment, every sector wants to help battle the COVID-19 outbreak together. At IVL, apart from other forms of social contribution, our experts have collaborated to develop products with an aim to help relieve the stress of this pandemic. With our specialized knowhow, IVL facilities across the world are now developing their businesses to be able to produce hygiene necessities where possible. We aim to do our best and will explore what more we can do. We believe that a joint effort is needed to lead our society to overcome this crisis soon."

The Integrated Oxides and Derivative business (IOD) of IVL is a leading producer of surfactants used to manufacture home and personal care and agrochemical products, globally serving major brands. This enables the company to address a wider range of needs at this critical time.

# COVID-19 DONATION HIGHLIGHTS



Glanzstoff - Bohemia s.r.o., an Indorama Ventures Company, has contributed to COVID-19 prevention efforts in Lovosice, the Czech Republic, at Litoměřice Hospital by donating 1 million CZK (41,090 USD) for the purchase of medical instruments and other means to prevent the spread of COVID-19. The hospital recognizes the company as one of the first organizations to reach out with help since the beginning of the COVID-19 outbreak.

Trevira GmbH, an Indorama Ventures company in Germany, has donated an amount of 11,556 EUR (12,945 USD) to five charities in Guben (Brandenburg) and Bobingen (Bavaria), the homes of two Trevira sites. As part of Indorama Ventures' philanthropic fund, these donations will reach various communities affected by COVID-19 such as the unemployed, youth, low-income families, cultural centers and food banks.



Indorama Ventures Polymers Mexico, S. de R.L. de C.V., Indorama Ventures EcoMex, S. de R.L. de C.V. and Performance Fibers Operations Mexico S. de R.L. de C.V. have contributed to the fight against COVID-19 by donating 25 pieces of medical equipment to the Mexican Institute of Social Security, a government organization that assists public health in Mexico and currently is overseeing and following up COVID-19 cases.





In April, the IVL Foundation donated 2 million THB (64,300 USD) in support of COVID-19 medical treatment to Ramathibodi Foundation and to King Chulalongkorn Memorial Hospital. The fund will contribute to treating patients and the purchase of supplies, including medicine and medical equipment at the institutions to help prevent the further spread of COVID-19.

Playing a part in the fight against COVID-19, Indorama Ventures Xylenes & PTA, LLC. and AlphaPet Inc. in Decatur has donated an amount of 30,000 USD to the United Way of Morgan County - Alabama, USA. The non-profit organization will use this donation in the Community Crisis Fund to aid people with meal service and food pantries and also in the Community Action Partnership to prevent housing evictions of families.



Guangdong IVL PET Polymer Co., Ltd. (Kaiping), an Indorama Ventures company in China, has contributed to government efforts in preventing the spread of COVID-19 with donations of equipment valued over 154,330 RMB (20,000 USD). This includes 40,400 three-layered masks, 60,000 disposable gloves, 30,000 disposable caps, 13,500 disposable aprons, 1,000 pairs of goggles and 2,000 N95 masks. These items have been supplied to the Kaiping City Government and distributed to areas around the city.

**Thank you to all Indorama Ventures sites that have reached out to their communities in this difficult time and to those who are planning to provide aid before the end of the year.**

# RESILIENCE IN UNCERTAIN TIMES

CONNECT

Indorama Ventures performed well in the first quarter of 2020 despite facing the challenge of continuing operations through the global COVID-19 pandemic. Overall, a quarter-by-quarter comparison showed solid growth during Q1 2020.

Despite the global disruption, Indorama Ventures registered revenue growth of 15% in the first quarter of 2020 when compared to the fourth quarter of 2019. The company attained a core EBITDA of US\$304 million and an operating cash flow of US\$340 million – representing quarter-on-quarter increases of 51% and 28% respectively. These substantial gains were driven by volume and margins growth in the three core business verticals of Combined PET, Integrated Oxides & Derivatives, and Fibers.

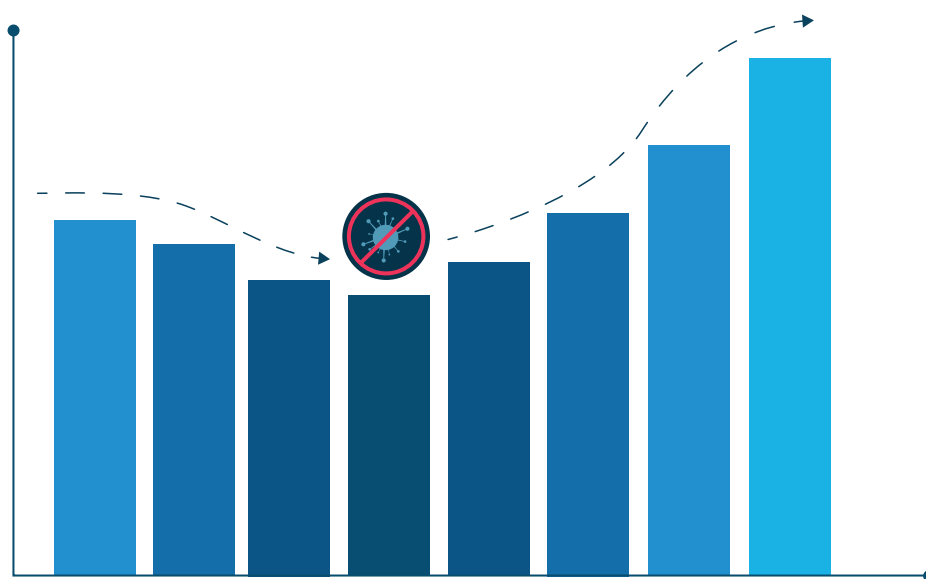
Even so, Q1 yielded a year-on-year growth rate of -3% for the company, as the COVID-19 pandemic and historically low crude oil prices had a modest but noticeable impact on operations. First quarter operating income totaled US\$148 million, a year-on-year decrease of 17%. This was largely the result of near-term challenges faced by MEG and MTBE, which will be partially offset by growth in PIA and PX. Segments of the fiber business were also impacted by lockdowns in China, India, and Italy, as COVID-19 began to spread.

These setbacks aside, Indorama Ventures' global business performed admirably. Hygiene fibers and integrated PET

reported solid growth in both volume and margins due to effective regional supply chain management during a period of increased demand. Project Olympus also enabled Indorama Ventures to reduce inventories and reduce capex by US\$30 million to achieve targeted cost savings. The project is on track to save the company US\$76 million in run rate costs throughout 2020.

Going forward, Indorama Ventures will remain focused on the five strategic priorities of cost transformation, asset full potential, adjacency growth, recycling leadership, and leadership development, as these priorities will generate significant long-term advantages. Through its regionalized geographical footprint, market segment participation and feedstock adaptability, Indorama Ventures has remained strong throughout these challenging times and is well-positioned to continue making positive strides in the coming years.

IVL's Core EBITDA grew in all three segments and in all regions as our products primarily go into daily necessities and non-durable consumer goods having inelastic demands. This portfolio makes IVL much more integrated than ever before with diversified earnings streams. We participate in about a dozen end-use market segments and our business now has scale, which creates tremendous resiliency and opportunity.





### Indorama Ventures Europe and Ioniqa Technologies Celebrates Technology towards Sustainability

As well as establishing our global mechanical recycling sites, Indorama Ventures is also investing in chemical recycling technology with a vision of a fully circular economy for PET. At the beginning of the year, the BHET project team of Indorama Ventures Europe B.V. and the management team of Ioniqa Technologies were excited to celebrate the receipt of the first BHET batch produced at Ioniqa demo plant in The Netherlands.

In the Ioniqa process, PET from at-source or post-consumer separation is used to produce BHET, an intermediate in PET production. The technology creates the possibility for PET waste to be recycled into new high-quality products including food applications. This moment marks an important step in IVL's progress to be part of the environmental solution by producing sustainable PET resins, bringing us closer to our goal of a circular economy in action.

### Annual General Meeting of Shareholders 2020

The Annual General Meeting of Shareholders of Indorama Ventures was held on Tuesday 30th June 2020 at the Siam Kempinski Hotel, Bangkok. Due to the restrictions of COVID-19 prevention following government regulations, the event this year was adjusted to fit our current situation and to ensure the safety of all attendees.

The meeting room and the registration area was cleaned and disinfected in advance with hand sanitizer gel provided at various locations. All attendees were required to wear face masks all times, maintain social distance and took a temperature check at the entrance to the meeting. Printed copies of the 2019 Annual Report, Financial Report and Sustainability Report were not provided for sanitary reasons and to minimize direct personal contact.



### Indorama Ventures Becomes a TCFD Supporter

Indorama Ventures is the first chemical company in Thailand and the second chemical company in Southeast Asia to become a TCFD Supporter, cementing the company's commitment toward and leadership in sustainability embedding Environmental, Social, and Governance (ESG) factors into our business operations.

The TCFD was created in 2015 by the Financial Stability Board (FSB) to develop consistent climate-related financial risk disclosures for companies, banks, and investors in providing information to stakeholders. TCFD recommendations are recognized worldwide for climate-related risk management and disclosure from the perspective of financial institutions and will also allow the management to make informed and long-range decisions for IVL's sustainability.



# WELCOME TO THE IVL 360 GALLERY

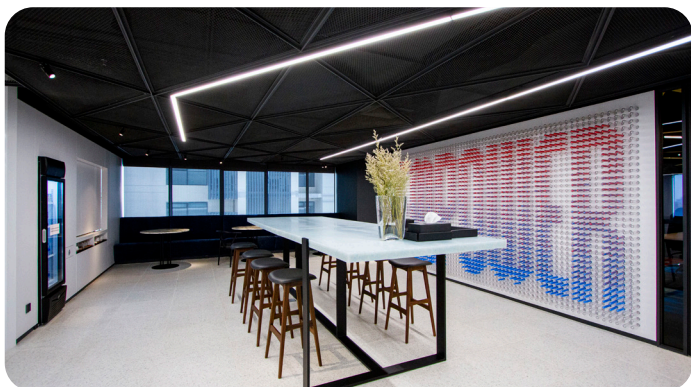
AN EXPERIENCE CENTER WITH BUSINESS FACILITIES AT INDORAMA VENTURES' HEAD OFFICE, BANGKOK



"At the IVL 360 Gallery, we have created exhibitions to portray the past, present and future of Indorama Ventures. We are proud of our journey, how we have remained committed to our vision and mission, applying our values in all IVL operations and becoming the dynamic company of companies we are today. Visitors will experience the principles of Indorama Ventures and gain an understanding of PET as a versatile and sustainable material. With this center, we hope to leave visitors with a strong sense of IVL's commitment to a sustainable future for all of our stakeholders."

- Aradhana Lohia Sharma,  
Vice President of Indorama Ventures





Covering an area of 800 square meters, the IVL 360 Gallery is equipped with interactive displays and informative content to guide visitors through Indorama Ventures' past, present and future. As visitors are welcomed into the exhibition, they will first get to learn about our history dating back to 1990 on one side, before seeing the development of how IVL became the 'Company of Companies' at a glance in our introduction video on the other side. The growth of the company is displayed in a timeline starting from the first PET production facility in Thailand in 1990 to the growth of global operations across 33 countries at present.

At Indorama Ventures, we believe that every product has the potential to change the world for the better. In the next section, visitors are able to explore innovative products from our sites around the world, gathering some of the most advanced developments of the industry in one place. Among the current displays are Trevira's flame retardant curtains, fully recycled PET bottles for commercial use, the most lightweight fire extinguisher we offer, to designer brand sweaters knitted with our wool. For those interested in the chemical components, there is also an interactive display that illustrates Indorama Ventures' feedstock part of the business, starting from downstream up to upstream, showing the properties of components and where they fit in the manufacturing process.



As the world's largest PET producer, we are strongly committed to sustainability, impact on the environment and solutions for a greener future. This next section displays Indorama Ventures' recycling process and facilities worldwide, since 2011, we have recycled over 50 billion bottles and is continuing to do so in pursuit of a circular economy for PET. The company holds a strong record in environment, social and governance (ESG) development goals and external ratings at a corporate level. To fully explain the recycling process and its products, an rPET material kiosk is set up to present samples of flakes, pellets, fibers and yarns, bringing recycled materials closer to consumer experience.

To conclude, the last section tells the stories that make us IVL, the dreams and accomplishments living up to our vision and values. The success of Indorama Ventures is made possible thanks to the Board of Directors, management team, senior leadership team and their ongoing support for all members of the IVL family and our stakeholders. At the end of this tour, Indorama Ventures hopes that our visitors are able to know the company better and that our ambitions for a greater future was portrayed throughout.

# A.S.A.P (ALIGNED SYSTEMS AND PROCESSES):

## ENABLING IVL TO BE FUTURE READY

CONNECT

IVL has embarked on a journey to implement a single group-wide ERP platform across all our functions. This will take IVL to the next level of global excellence and transform our ways of working.

### BUILDING ON A STRONG GROWTH FOUNDATION

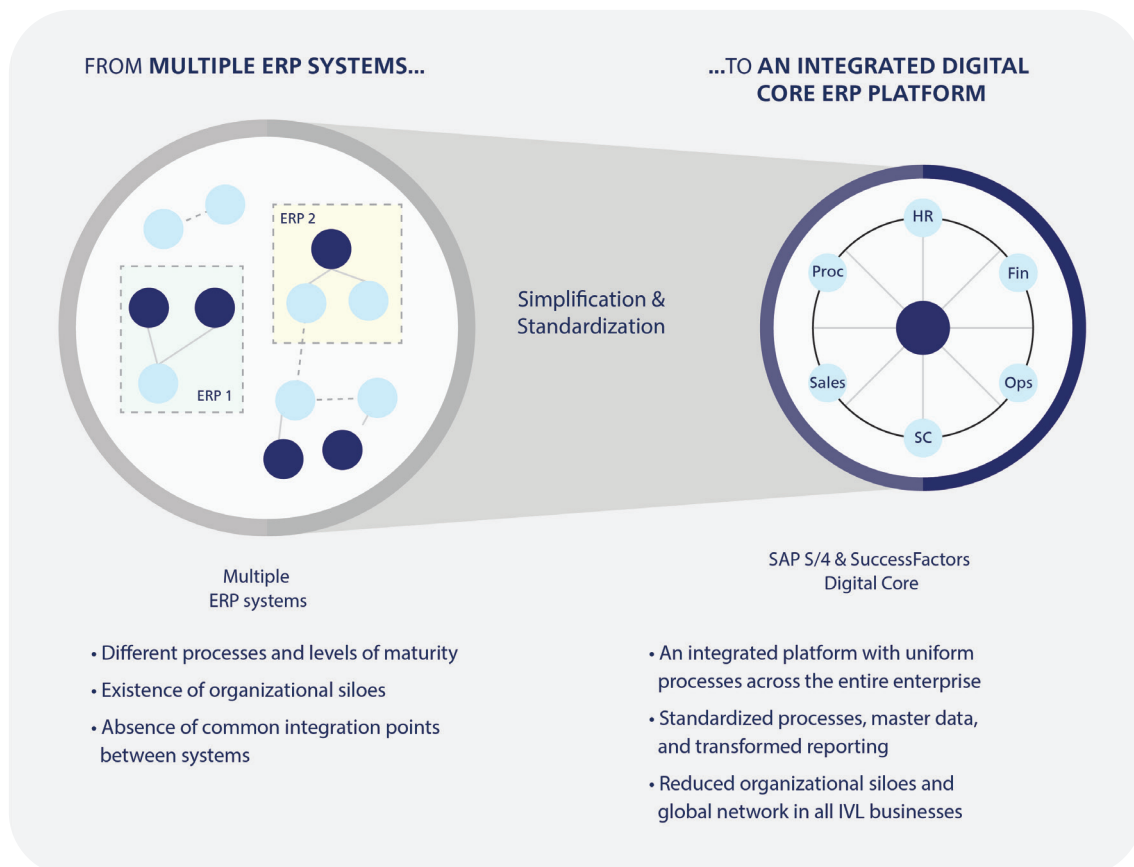
The company's impressive growth over the past 10 years has established a strong global footprint, expanding to over 100 plants across 33 countries, providing us with a strong foundation to step into the next level of global excellence.

Despite the challenges in today's unprecedented business environment, IVL continues to focus on executing this year's growth strategy to drive 'future readiness'. One of the key pillars of our strategy is ERP transformation to consolidate all our systems into one integrated platform to help drive down costs, improve overall efficiency and make our businesses even more agile.

### A.S.A.P (ALIGNED SYSTEMS AND PROCESSES): ESTABLISHING A GROUP-WIDE ERP SYSTEM IN IVL

The A.S.A.P project was launched in 2019 being the largest global transformation undertaken at IVL which will result in the implementation of SAP systems (S/4 HANA and SuccessFactors) across all our locations. S/4 HANA will focus on 5 business functions (Finance, Operations, Procurement, Sales, and Supply Chain) while SuccessFactors focuses on Human Resources (HR). This project is being executed in partnership with Accenture, a global leader in the implementation of SAP projects.

**THE A.S.A.P VISION: TO TRANSFORM IVL'S MULTI-SYSTEM LANDSCAPE INTO AN INTEGRATED DIGITAL CORE PLATFORM THAT SIMPLIFIES AND STANDARDIZES IVL'S DATA, PROCESSES AND PRACTICES GLOBALLY.**



## A.S.A.P PROJECT LEADERSHIP – STEERING IVL ON THIS EXCITING TRANSFORMATION

This strategic project is directly steered by the IMC (Indorama Management Council) members - Mr. Alope Lohia (Group CEO), Mrs. Suchitra Lohia (Executive Director), Mr. Dilip Kumar Agarwal (CEO of Feedstock and PET), Mr. Uday Paul Singh Gill (CEO of Fibers), Mr. Dr. Deepak Parikh (CSO), Mr. Sanjay Ahuja (CFO) and Mr. Roberto Bettini (CHRO).

\*Members as of August 2020

*"A.S.A.P is of paramount importance for successful execution of our growth strategy. It is an enabler for our IVL to be 'future ready' and establish a solid foundation for working in a true globalized manner."*



**Dr. Deepak Parikh**

*"A.S.A.P is going to be a game changer for our organization and will enable us to realize the right value from our strategic investments. It is the 'need of the hour' for IVL."*



**Mr. Sanjay Ahuja**

## TRANSFORMING THE WAYS OF WORKING IN IVL: KEY BENEFITS OF A.S.A.P FOR OUR PEOPLE

In addition to bringing 'best in class' industry processes to our organization, S/4 HANA will offer various functionalities. There will no longer be a need for different systems for different functions in different countries, allowing business to run more efficiently around the globe. The system will enable IVL to make the right data driven decisions and better manage our work – overall, making us more efficient as an interconnected team.

Meanwhile, SuccessFactors is going to transform our HR landscape by automating processes and ensuring seamless data integration along with new features like a self-service platform, performance management, and learning management for all employees. SuccessFactors will streamline activities around talent management and bring in up-to-date best HR practices across the globe.

*"A.S.A.P is going to transform the way we work in IVL. The new systems will ensure that we adopt the 'best in class' processes and technologies for enabling our employees to be more effective and propel our organization to a new level of globalized excellence."*



**Mr. Shiv Srivastava**

*"Implementation of SuccessFactors will set a strong foundation for establishing leading HR processes across our organization and enable us to deliver an enhanced experience to our employees."*



**Mr. Roberto Bettini**

## THE A.S.A.P JOURNEY: IT'S TIME TO GET EXCITED

The A.S.A.P journey kicked off in July 2019 with an assessment phase and is now in the Global Design Phase (March – November 2020) to put together the best-fitting system template for IVL. Notwithstanding the challenges of COVID-19, the project team and around 130 representatives from 25 sites around the globe have shown tremendous commitment to ensure that we meet all milestones and objectives en route to a positive future.

Going forward, the implementation of A.S.A.P will occur in phases over the next three years and will require active support and ownership from every employee within IVL. Stay tuned for more exciting updates on how this transformation can make your day-to-day work more efficient and productive, and when the system will be rolled out in your respective sites. You can follow A.S.A.P's intranet page to stay updated with the latest developments.

*"The A.S.A.P journey is going to be an exciting one and touch upon every aspect of business. I am really looking forward to the active support from everyone in IVL to play their part and drive the success of A.S.A.P."*



**Mr. S.K. Agrawal**



# 40 YEARS TREVIRA CS – SAFETY

## WITH ADDITIONAL BENEFITS:

## ANTIMICROBIAL AND SUSTAINABLE

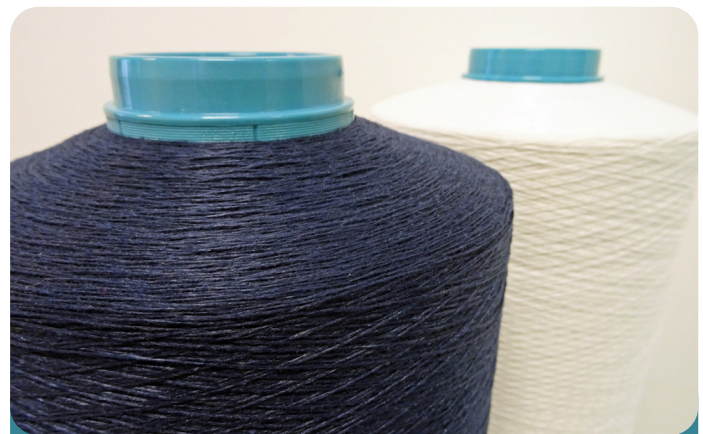
CONNECT

Acquired by Indorama Ventures in 2011, Trevira CS is well known for its flame retardant fabrics that have been used in hotels, restaurants, hospitals, the care sector, public buildings, offices, railways and maritime shipping, over the past 40 years. All textile applications can be designed with Trevira CS fabrics. Trevira CS collections are becoming more and more ambitious in their designs, thanks to heightened market demand and the development of new end uses. Further properties are required to complement the flame retardant function, and two variants in particular should be mentioned here.

Trevira CS Bioactive contains a silver-based antimicrobial agent which is firmly anchored in the fiber polymer, inhibiting the accumulation and growth of microorganisms both in and on the fibers and fabrics. This additive has a permanent antimicrobial effect that remains unaffected by frequent washing or wear, and is concentrated on keeping the surface of the fibers clean. As well as being kind to the skin, Trevira CS fabrics are also environmentally friendly – with properties worked into the fiber rather than coating it, and therefore not leaking into water sources during cleaning. Trevira CS Bioactive fabrics have been tested for their antimicrobial and flame retardant properties with successful results.



© Trevira GmbH | Fabrics made from flame retardant, yarn-dyed filament yarns, 50% recycled content



© Trevira GmbH | Flame retardant, yarn-dyed filament yarns, 50% recycled content

Indorama Ventures is constantly developing products for optimal consumer experience. At Trevira, our flame retardant fibers and filaments can now be manufactured from recycled material, available under the new brand Trevira CS eco. The flame retardant filament yarns are based on recycled PET bottles and consist of 50% post-consumer recycled content. To produce recycled fibers Trevira also uses an agglomeration plant, where residual waste from manufacturing sites is transformed into serviceable raw materials which rival the original products in both quality and performance. Including pre-consumer materials, our fiber yarns produced in this system consist of 100% recycled content. This initiative is aligned with our sustainability ambitions for a circular economy and a cleaner environment.

# PET AND THE NEW NORMAL:

## PROTECTING OURSELVES(AND THE EARTH)

The pandemic has brought an unprecedented time and shift in our way of life, as fear of infection and lockdown restrictions driving the need for disposable packaging. Personal hygiene has become essential and much more visible in the new normal we are living today and it is equally important to learn how to manage the consequences of these changes wherever we can.

Indeed, the demand for plastics has never been greater. It is no longer new that the pandemic sparked a massive growth in products such as personal protective equipment (PPE), sanitizers, take-out, and delivery services. PPE has become a household word – not just for doctors and nurses, but for ordinary people as well. Masks have now joined one's wallet, keys, and phone as essential items to bring every time we leave home. PET plays a part in many of these uses, most commonly seen as beverage bottles and food packaging but is also present in disposable masks, face shields and more.

In the medical industry, PET is widely used in equipment and packaging making use of its light weight, high tensile strength and effective barrier properties. Now more than ever, disposable medical supplies are needed to maintain hygiene, reducing the risk of infection for patients and healthcare workers.

The presence of plastic is undeniable in many situations as we adapt to this new normal way of living. However, the advantages of plastic are starting to become more understood and accepted. Most in focus is the factor of hygiene, disposable products are preferred because they are perceived as new and sanitary. The lower cost makes plastic items accessible to everyone and its light weight property makes it suitable for transportation and storage. These simple properties of plastic are reasons to use the items but at the same time, consumers must be aware of the environmental impact these items might cause if not disposed of properly.

## BRINGING THE WORLD BACK INTO BALANCE

This reliance on plastic may lead society to reconsider the benefits of plastic and if it is to be an integral part of our lives, how we as individuals can act for sustainable use of the material. While some waste management systems may be restricted due to lockdown policies, it is still important to separate waste. Spending more time at home, we may become more aware of the types of waste we are producing, and hopefully taking the chance to learn about how each of them should be disposed of for minimum impact on the environment.

PET is a 100% recyclable material but it starts with waste separation at all levels. As a global leader in recycling, Indorama Ventures is steadily working to influence the habit of waste separation and developing our recycling facilities and technologies towards a sustainable future. In our pursuit of a circular economy, we are confident that PET is a sustainable material. Play your part, let's #recycle together!



Visit our PET recycling education page for more information



# 2019 SUSTAINABILITY REPORT:

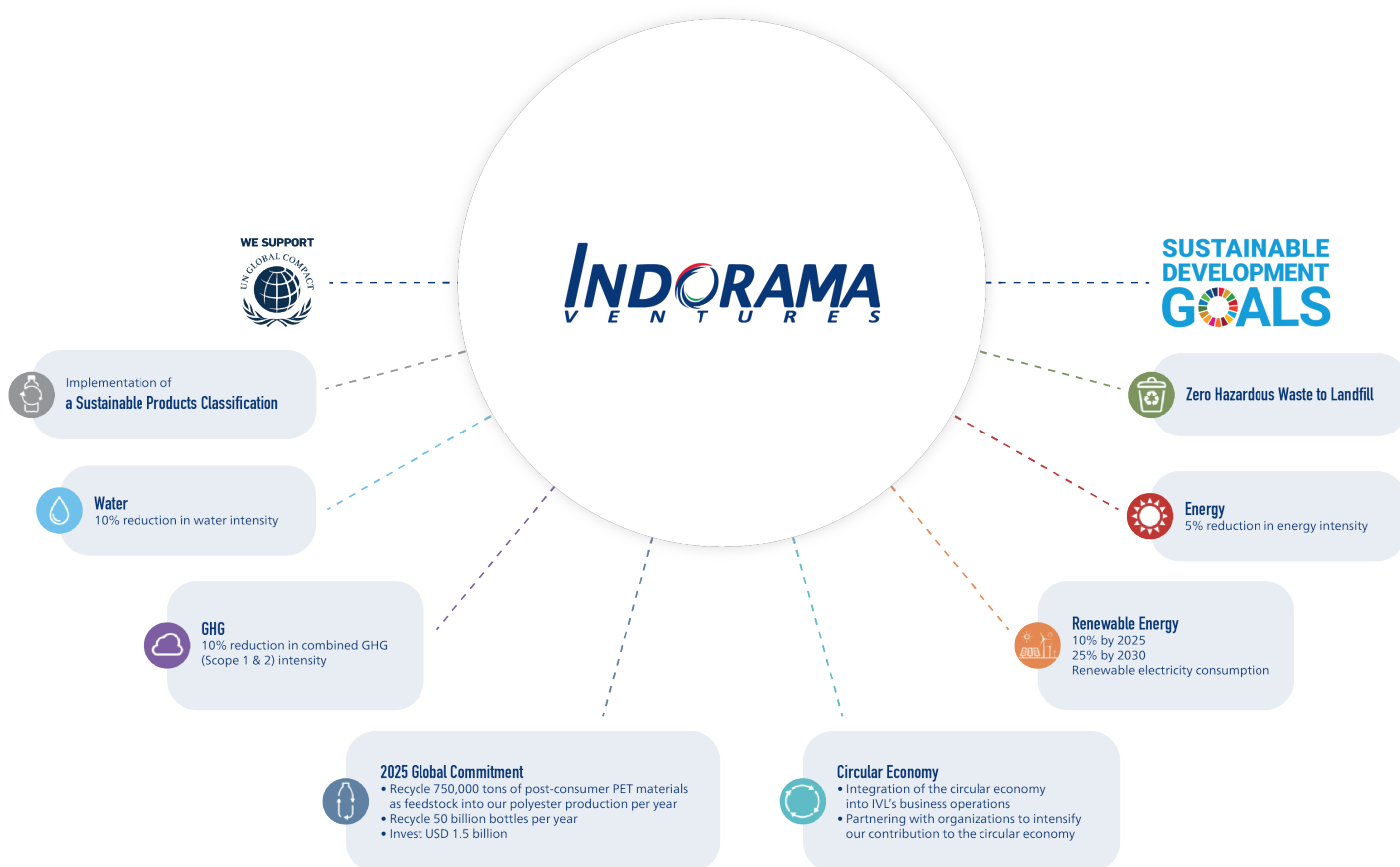
## DRIVING TOWARD A CIRCULAR ECONOMY

SUSTAINABILITY



"We embrace sustainability because it's a journey, transformative, and demands that we continually improve - in our operations, our team, and for our long-term success. Our collective efforts will contribute to a successful decade of action on sustainability." – Mr. Alope Lohia, GCEO

"Recycling is at the heart of a sustainable and future global economy, and we at IVL believe that it is a critical innovation for economic growth. IVL is rapidly becoming a global leader in recycling by building the infrastructure the world needs to close the loop and deliver a circular economy for PET packaging." – Mr. Yash Lohia, Chief Sustainability Officer





Indorama Ventures always puts sustainability at front and center in our company strategy, remaining aware of the impact of our operations on the environment and our communities. We aim to use our combined power of innovation together with recycling strategies to enhance our capacity to drive closed loop solutions moving towards a circular economy.

Following our materiality assessment and feedback from internal and external stakeholders, there were a total of 12 key material topics in our 2019 Sustainability Report that focused on reporting our sustainability progress and achievements relating to Governance, Environment, and Social dimensions in accordance with GRI Standards.

12 Key Material Topics in 2019



GOVERNANCE

- Compliance Management
- Corporate Governance
- Business Ethics, Integrity and Transparency
- Risk and Crisis Management
- Customer Relationship Management



ENVIRONMENT

- Environmental Management
- Climate Change
- Renewable Energy
- Plastic Waste and Recycling



SOCIAL

- Human Rights
- Occupational Health, Safety and Well-being
- Human Capital Development

GOVERNANCE

In 2019, Indorama Ventures assembled and restructured its policies related to corporate governance and code of conduct, organizing them into a Corporate Governance Manual for the benefit of directors, stakeholders, and employees to clarify our commitment and provide an improved understanding and more effective implementation.

IVL renewed its certification for Thailand’s Private Sector Collective Action Coalition Against Corruption. The company was also awarded an “Excellent - 5 Star” CG score by Thai Institute of Directors for seventh consecutive year.

ENVIRONMENT

In 2019, 83% of our total operations had ISO 14001 certification. Efficient energy management systems contributed to a 6.5% reduction of indirect greenhouse gas emissions, saving the equivalent of 122,806 tons of CO<sub>2</sub> emissions. We also achieved a 5% increase in renewable energy use and have four sites with 100% renewable electricity consumption. IVL also met its 2019 water intensity target, reducing usage by 4% and saving 2.4 million m<sup>3</sup> of fresh water in the process.

The company has already initiated an audit for Hazardous Waste to Landfill, intending to reduce the total to zero by 2025.

Recently in March 2020, we achieved a milestone of 50 billion bottles recycled since 2011, averting about 1.1 million tons of bottles from being landfilled. Over 206,996 tons of plastic bottles were recycled in 2019 as we continue to build the infrastructure for a circular economy.

With our 12 recycling facilities worldwide, innovations have been implemented and IVL has signed a memorandum of understanding as part of the Ellen MacArthur Foundation and the United Nations’ Environment Program with a commitment to the New Plastic Economy. Looking ahead, Indorama Ventures intends to recycle 750,000 tons of post-consumer PET by 2025, with investments in recycling from operating sites to local education programs. We have a real time bottle recycled tracker displayed on our website to show our progress along the way to this commitment.

Going forward on our sustainability leadership, we set ambitious targets for our sustainability in 2025 across various areas related to our environmental stewardship and recycling.

SOCIAL

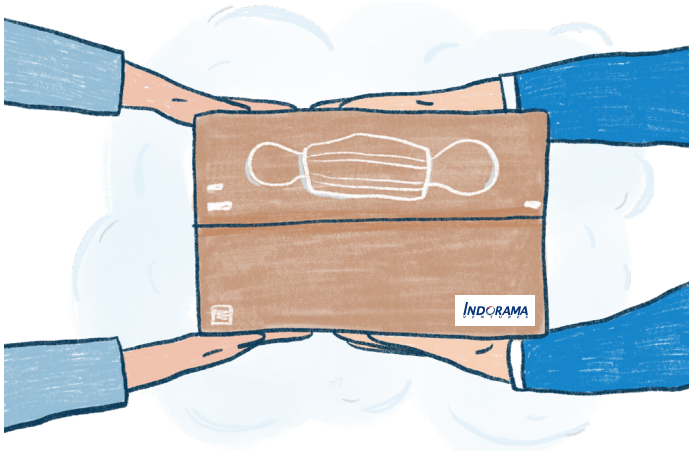
Along with OHSAS 18001/ISO 45001 certification at 70% of our plants, our management approach includes going ‘beyond compliance’ with governmental regulations. 91.43% of our employees are represented in formal joint management worker health and safety committees. We also set a target of 10% reduction in total recordable injury rate in 2025 to empower our health and safety culture in our workplace.

Thanks in large part to this progressive approach, our collective effort will contribute to a successful decade of action on sustainability at Indorama Ventures.

To keep track with our recycling, visit here <https://sustainability.indoramaventures.com/en/environmental/recycling/at-a-glance>



# THE IVL FAMILY: MEMBERS OF A FAMILY HAVE TO HELP EACH OTHER, EVEN IF IT MEANS GOING AIRBORNE



When compulsory face mask policies came into force in the Czech Republic in March 2020, many people and companies found themselves unable to comply with these strict measures. Simply put, there were not enough masks. That's when help within the Indorama Ventures family came in handy. Both based in the Czech Republic, Kordarna helped the Glanzstoff Bohemia plant in Lovosice to acquire the necessary number of face masks for its employees and Lovosice did not waste any time to repay with an equally generous gesture.

"Glanzstoff in Lovosice suffered from a critical shortage of face masks, which threatened their immediate ability to continue operations. On the other hand, Kordarna managed to provide not only enough cotton masks for our own use but also ordered extra for our sister plant," remembers Jakub Eifler, the HR director of Kordarna. Together with his colleagues, they managed to obtain several thousands of masks from eight different textile manufacturers in the region.

It's useful to know that Glanzstoff in Lovosice is situated on the other side of the republic from Kordarna. Time was running out and it looked like the next shift in Lovosice might not even be able to come to work, so we opted for a unique logistics solution. Almost two thousand face masks were loaded into an ultralight plane borrowed from a local aeroclub, but even this solution did not pass without complications. "The weather forecast was not ideal for the flight at all, so we had to take off before five o'clock in the morning to avoid the approaching rain," describes Jakub, "We had to throw out all equipment that was not absolutely necessary to not exceed the weight limit and managed to make the trip there and back with one full tank." In the end, not only Lovosice but also a neighbouring plant benefited from the timely delivered masks.

However, about a week later, it was Kordarna who found itself in trouble, this time ordering disinfectant for COVID-19. "We were almost pushed to buy highly overpriced disinfectant, but thanks to a good relationship with Lovosice, we received a whole cubic metre of disinfection at normal price". Living up to our values, Indorama Ventures members saw this change as an opportunity and were able to find a way out and strengthen relationships through this global pandemic.



Jakub Eifler, HR and IT Director in Kordarna, Velka nad Velickou, was immediately praised by the "Czech Pilots to People" initiative, a group of volunteer pilots who helped the state distribute medical supplies and necessary personnel during the coronavirus crisis.



BY ASHOK SUMAN



COVID-19 has impacted every aspect of life in Egypt. The normally hustling and bustling streets of Cairo have suddenly become deserted. During the holy month of Ramadan, flocks of tourists from Arab countries usually come to Egypt, but this year, the roads were eerily empty. In some ways, the current situation is similar to what is described in the book of Exodus, where Egypt was devastated by ten plagues. While the situation today is not as dire, the parallels are hard to ignore.

The Egyptian government has taken appropriate actions to curb the spread of the virus, including closing all public and retail spaces and restricting movement from 8 pm to 6 am every night. The government has also announced a 100 Billion Egyptian Pound (1.6% of GDP) stimulus package to support the private sector and citizens in mitigating the impact of COVID-19. The tourism sector, which accounts for roughly 6% of Egypt's GDP, is one of the worst-hit sectors. Tourism revenue receipts are expected to be half of what they were last year. According to the Minister of Antiquities and Tourism, the lockdown could result in the sector losing USD 1 billion monthly, and even more if hospitality is accounted for. The Egyptian Pound has depreciated by about 3.5% in the last four weeks. This may have a medium-term impact on liquidity as the availability of the US Dollar becomes scarce in the local market.

May is typically the onset of the summer season in Egypt, with peak temperatures observed in July and August. Roughly 65% of PET consumption in Egypt goes into the beverage sector, with the remaining balance going into cooking oil, pharmaceuticals, cosmetics and APET sheets. A drop in tourism, coupled with restricted outdoor movement, has impeded sales of single-serve beverage packs for both water

and the carbonated soft drinks (CSD) segments. However, the sales of family packs and multi-serve stock-keeping units have picked up. In addition, increased sales in the pharmaceuticals and personal hygiene segments have also helped us to offset the drop in real demand for PET.

IVL Dhunseri Polyester SAE (Egypt) is doing its part to combat COVID-19 by providing safety kits to hospitals near our factory in Suez. We have also partnered with one of our customers in Egypt to produce face shields. Such safety equipment will help safeguard medical staff from becoming infected by patients. We have procured 5,000 such face shields and are currently distributing them to various hospitals and government facilities.



IVL Dhunseri is a 50:50 JV between IVL Netherlands B.V. and Dhunseri Petrochem & Tea Limited. The factory is situated in the Ain Sokhna Free Zone in Egypt and has an annual production capacity of 540,000 tons.



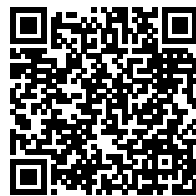
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