

The Beacon

INDORAMA
VENTURES

*Indorama Ventures is proud to become a part of
the Dow Jones Sustainability Indices (DJSI)*

Read about the journey to our success in Cover Story



Group CEO
New Year Message



Six Most Asked Questions
about IVL



50 th Anniversary of
Auriga Polymers

May-December 2017

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Dear Readers,

The last edition of The Beacon for this year is full of interesting news and information. Let's start with a New Year's message from Mr. Alope Lohia, the Group CEO of Indorama Ventures. Then, in IVL Today, we have a key summary of our performance in the third quarter with a list of awards given in the second half of the year which recognize our collective achievements. Please follow our new column, IVL Biz Focus, which sums up our significant development projects. Our very first article in this column discusses Indorama Ventures' business expansion in the automotive textiles industry.

Recognized as a member of the Dow Jones Sustainability Indices (DJSI) for the first time this year, we are proud of our performance in sustainable development. The path to our success is described in the Cover Story. Then, in IR Corner, read the interview of Mr. Richard Jones, Vice President, and Head of Investor Relations and Corporate Communications at IVL on investor FAQs. In addition, we offer educational articles about human resources in HR Knowledge Sharing, our policy on internal information controls and use of inside information in CG Factoid, and understanding internal controls and the importance of gender diversity in Good to Know.

In Employee Engagement, we celebrate the 50th anniversary of Auriga Polymers and include an interview with its longest-serving employee. Other good reads in this issue include Trevira's environmentally friendly PLA products in the Innovation column; doing our part to save the planet in CSR Corner; interview with the winner of this year's RECO Competition; and seeing the great upcycling design ideas in Reduce. Reuse. Recycle. Lastly, we have an article on in the vicinity about the lovely attractions of Lovosice in the Czech Republic.

We hope you enjoy reading this issue of The Beacon. Send us your comments or suggestions for the next issue by e-mail. We love hearing from you.

Happy New Year

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Group CEO New Year Message

Dear Friends,

2017 was a banner year for Indorama Ventures. The business improved incredibly giving us an encouraging boost as we enter 2018. As you may know, the Company has been on a transformational journey creating a solid business portfolio capable of delivering sustainable double-digit returns. As I look to the New Year, I see us continuing to diversify our product portfolio into PET films and entering into new markets that will help not only to vitalize the Company, but also ensure that our offerings include a diversified portfolio that remain focused within our core business area and our competencies. We are blessed to have a solid team of dedicated employees who have an abundance of commitment and sincerity, which has led to IVL continually outperform the industry.

Geographically, our footprint continues to grow as we balance our business between Necessities and High Value-Added (HVA) products. Time and again, our strategy, including vertical value chain integration, geographic expansion and entry into HVA, has steered us through an industry that saw us improve our profitability in a sustainable manner. Achieving all of this has come about as a consequence of a well-articulated strategy supported by flawless execution.

We have strived to meet the needs of our customers and aspire to exceed their expectations through ongoing innovation and attention to service and product quality. The PET and Polyester industry value chain

is undergoing some very important structural changes which I believe is the consequence of many years of ill-designed capacity additions, which have taken their toll and now, with a more determined and prudent industry, we can expect a positive change in the cycle over the next 3-4 years. IVL's industry leadership will be further tested in how we can align ourselves with our customers and be seen as a partner in their growth.

We are continuing to build the assets, infrastructure, footprint, and teams to consistently deliver shareholder value while meeting future demands. The Beacon has allowed us to communicate with our stakeholders over the years and I am proud that we have been keeping you all up-to-date on our activities throughout. It also provides me with an opportunity to wish all our readers a healthy and prosperous 2018, and the prospect that we will continue to go from strength to strength with unity and a common vision.

Wishing you a very successful 2018!

Aloke Lohia
Group CEO

Indorama Ventures Delivers Highest Ever Quarterly Earnings Core Net Profit Increases 68% to US\$ 137 million

- Core EPS growth on a Last Twelve Month (LTM) basis, up 75% in LTM3Q17.
- Cash infusion of US\$452 million from the successful subscription of IVL-W1, offering flexibility for future growth opportunities.
- Announced acquisition of 180kt pa DuPont Teijin Films, including 8 production assets in the US, Europe, and China, with a global innovation center in the UK.
- Announced acquisition of 700kt pa Artlant PTA and 40 MW Artelia Power plant in Portugal, enhancing feedstock and power integration.

The Company's Q3 Core EBITDA rose 34% YoY to a new high of US\$291 million. Core Net Profit increased 68% to US\$137 million, mainly driven by the higher operating rate, higher volume from its EOEG facility post turnaround in 2Q17, higher PET margins and the full quarter earnings impact of the Glanzstoff acquisition. Operating profit grew by 46% to US\$198 million with a production volume of 2.39 million tons. For three consecutive quarters, the Company has exceeded \$100 EBITDA/ton, and reached US\$122 in 3Q17. With additional tailwinds from strong volumes and industry supply tightness, due to financial problems being faced by certain competitors in Europe and the US, the Company has further grown its top line and margins, which is continuing towards the end of the year.

During the quarter, the Company successfully completed the acquisitions of DuraFiber in Mexico and France as well as announced expansion projects in China and Indonesia, to strengthen the Fiber HVA portfolio, which will drive growth and margin accretion. In September 2017, IVL made its debut in the Dow Jones Sustainability Index and was ranked among the top five chemical companies globally. In another meaningful development, IVL announced the acquisition of DuPont Teijin Films, a leading global producer of high value-added BOPET and PEN films, with eight production assets in the US, Europe, and China, and a global innovation center in the UK. Meanwhile, the Company is on track to complete its 440,000 tons/annum US Gas Cracker project and expects commissioning to be complete in the next few months with start-up in early 2018.



Most Popular Stock

Mr. Pakorn Malakul Na Ayudhya, Chairman of the Board and Independent Director of TSFC Securities Public Company Limited, presented "The Most Popular Stock Award 2016" in the Industrial Category to Mr. Richard Jones, Vice President of Indorama Ventures PCL (IVL). The 5th Annual Popular Stock Award ceremony was organized by the Kao Hoon Turakij newspaper in collaboration with the Stock Exchange of Thailand (SET), and honors the excellence of listed companies that communicate proactively and consistently to investors. There were nine different categories from which they shortlisted 27 stocks that qualified for the final round. IVL was awarded for the first time, based on input from over 4,000 investors in the Thai stock market.



ESG Guarantee

For the third consecutive year, Indorama Ventures has been named one of the public listed companies that have outstanding sustainability performance on the basis of its Environmental, Social and Governance (ESG) activities in Thailand by Thaipat Institute, the joint organization for the Global Initiative for Sustainability Ratings (GISR).



TRIS Rating

TRIS Rating affirms Company & Senior Unsecured Debt Ratings of "IVL" at "A+", Subordinated Capital Debt Rating at "A-", and Revised Outlook to "Positive from Stable"



Excellent-5 star on Corporate Governance

The result of Corporate Governance Report (CGR) assessment conducted by the Thai Institute of Directors (IOD) gave IVL an excellent-5 star Corporate Governance score above 90 percent. This year of over 620 listed companies, only 110 listed companies (18 percent) are included in the ranking, with an average score of 80 percent.



FTSE4Good

Global Distinction for Excellence in Sustainability

Indorama Ventures received a distinction for excellence in sustainability performance and was recognized as one of the top-scoring companies in the chemical industry globally. The Company was also included in the 2017 edition of RobecoSAM's Sustainability Yearbook, the world's most comprehensive publication on corporate sustainability. Each year, more than 3,000 of the world's largest companies are invited to participate in RobecoSAM's Corporate Sustainability Assessment (CSA). Inclusion in the Yearbook is limited to companies within the top 15% of their industry which achieve a score that is within 30% of the best-performing companies in its industry. For more information on RobecoSAM's Sustainability Yearbook, please visit: <https://yearbook.robecosam.com>

In addition, IVL has been independently assessed according to the FTSE Russell criteria and has become a constituent of the FTSE4Good Emerging Index, an extension of the FTSE4Good Index Series. The FTSE4Good Index Series is designed to measure the performance of companies that demonstrate strong Environmental, Social and Governance (ESG) practices. The Index covers over 20 emerging countries globally. Of the eligible grouping, Indorama Ventures stood out as a leading Thai company with an ESG Rating of 3.9. For more information on the FTSE4Good Index, please visit: <http://www.ftse.com/products/indices/ftse4good>

Indorama Ventures strengthens its position as word-leading manufacturer of technical textile for the automotive industry

The automotive segment represents a key investment driver for Indorama Ventures within its rapidly-expanding HVA portfolio. The company is at the forefront of developing new solutions, providing a unique global manufacturing footprint, and an unparalleled product portfolio together with sustainable solutions making it the number one fiber partner for the automotive industry.

Indorama Ventures entered into automotive industry with its acquisition of PHP Fibers in Germany in 2014. This was the first time we started in the tire cord business. In 2015, we acquired Performance Fibers, one of the most prominent polyester tire fabric businesses in China. In 2017, we further expanded the manufacturing line of Performance Fibers due to increased demand as a result of China's improving economy.

Furthermore, in order to strengthen our position as a leading manufacturer of automotive textiles, we acquired two companies with tremendous potential: Glanzstoff Group and DuraFiber, further rounding out our automotive portfolio.



Glanzstoff Group

Glanzstoff is Europe's largest manufacturer of both tire cord fabrics and single-end cords, the acquisition will position IVL for strong future growth with its existing strengths in the Rayon, Aramids, Nylon 6.6 and Polyester businesses within the automotive segment. This acquisition provides a strategic fit to the automotive segment in the HVA portfolio. Geographically, IVL will enter Luxembourg, Italy and the Czech Republic, providing the convenience of production bases throughout Europe to service major customers.

This asset represents IVL's long-standing ambition to establish a foothold in the European auto sector, especially in relation to the tire business. It will also contribute to creating a diversified earnings stream through a High Value-Added (HVA) portfolio, which now accounts for 50% of the Company's core EBITDA and delivering robust earnings.

Indorama Ventures focuses on our core areas of strength and a willingness to invest and then reinvest to take advantage of our global resources. Glanzstoff takes us from Polyester and Nylon 6.6 into Rayon but that is still not far removed from our current portfolio. In a few short years, the HVA segment has skyrocketed and serves segments that individually grow at around 7% year-on-year.

DuraFiber Technologies

DuraFiber Technologies (renamed Performance Fibers México Operations) is a leading Mexican producer of durable technical textiles for industrial, tire reinforcements, and specialty applications globally with a capacity of producing 37,500 tons/annum of PET HMLS, PET HDI and Nylon 6 fully-integrated into tire cord fabrics and industrial and industrial textiles. Together with this acquisition, IVL agreed to also acquire DuraFiber Longlaville (renamed Glanzstoff Longlaville), France, which has a capacity of 35,000 tons/annum.

DuraFiber is the sole domestic tire cord fabric producer in Mexico with products approved by major global tire companies. The complete portfolio of tire cord fabric products makes IVL the leading fiber partner for the automotive industry. The deal will deliver immediate value accretion and synergies across product lines and markets in IVL's core business and site integration with IVL Mexico, with a significant presence in Mexico and the Americas, and European markets. The market is projected to have a growth rate around 6% CAGR in 2017-2021.

Indorama Ventures Enters the Dow Jones Sustainability Indices (DJSI)

Sustainability is a major focus for Indorama Ventures and is vital to ensuring we achieve our mission. After considerable effort, this year, IVL was recognized internationally as a member of the Dow Jones Sustainability Indices (DJSI), published by RobecoSAM, an investment specialist focused exclusively on Sustainability Investing. Among the world's leading companies in the chemical sector, we have been ranked as one of the top two chemical companies in emerging markets and ranked among the top five global chemical companies. This milestone validates our commitment and leadership in sustainability.



For IVL, DJSI is not just a one time achievement...

Sustainable development can be achieved differently in each company based on the nature of the business. Indorama Ventures has initiated many projects in economic, environmental and social frameworks, and our initiatives are advanced both internally and externally.

Our people are our most valuable assets. We aim to ensure that they are challenged and valued for the work they do. Employees at IVL are active in different workplace issues including Health and Safety (H&S). A positive workplace results in improved employee morale and the reduction in lost work hours, illness and injury. Corporate governance is also an important concern of IVL's management team. We have continually conducted transparent corporate governance practices, and outlined and explained our policies to our employees around the world and external stakeholders globally. We have also improved the channel for whistleblowers to air any concerns they may have. Finally, to explore our employees' views and inputs, we carried out an employee engagement survey at all IVL subsidiaries.

In terms of environmental sustainability, in addition to focusing on increasing renewable energy use in our production process, we have made important progress in reducing CO₂ emissions. As an integrated polyester business, we have benefited from the data from each of our

operating sites around the world. This data set provides the big picture for the entire company as well as benchmarks of the development levels for each subsidiary, allowing us to analyze and compare relevant details among our operating sites. This specialized knowledge sharing is valuable to all IVL subsidiaries. Take operational eco-efficiency as an example, where the amount of emissions can be calculated and compared among plants with similar operating processes. A plant first looks at its current development level. It can then work together with other plants and manage its KPIs on CO₂ reductions collectively.

Data analysis is also important in the Life Cycles Assessment (LCA) of our products. IVL has carried out LCA studies for all its operations in Asia and understands the impacts on the environment from the start of manufacturing process through to products leaving the factory gate. PET is a material that can replace glass, PVC and Polystyrene, and is widely used in food and drink packaging, while the main polymer is used in synthetic fibers for textiles, with no adverse concerns to the environment. It is the only recyclable polymer in a closed loop for food packaging and textiles. We have worked on LCA assessments on PET use including recycling. The data set is used, in part, in how we design our development plan and for customers to continue their own LCAs of their products.



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Dow Jones Sustainability Indices

In Collaboration with RobecoSAM

About DJSI

What is the Dow Jones Sustainability Indices (DJSI) and RobecoSAM's Corporate Sustainability Assessment (CSA)?

The DJSI comprise global indices that evaluate the Environment, Social and Governance (ESG) performance of leading sustainability-driven companies worldwide. RobecoSAM's CSA serves as the framework for measuring corporate sustainability performance in economic, environmental and social criteria and forms the research backbone for the development of the DJSI.

Who is invited to participate in RobecoSAM's CSA and how are participating companies classified?

Each year, RobecoSAM invites 3,400 of the world's largest publicly-traded companies, based on free float market cap, to participate in the CSA. Of these, the largest 2,500 global companies by market capitalization are eligible for inclusion in the flagship DJSI World Index and the largest 800 companies in 22 emerging markets* in the DJSI Emerging Markets Index. RobecoSAM classifies participating companies' industries based on the GICS® industry classification system. IVL falls under the Materials Industry Group and Chemical Industry and is invited for assessment under DJSI Emerging Markets.

The criteria used for the assessment and listing

The DJSI measures the performance of the world's leading companies in terms of economic, environmental and social criteria. It uses a best-in-class approach to select sustainability leaders. Selection criteria evolve each year and companies must continue to make improvements to their long-term sustainability plans in order to remain in the index. Indexes are updated yearly and companies are monitored throughout the year. The top 10% of companies within each industry are selected for inclusion in the DJSI Emerging Markets Index.

(* The emerging markets include 22 countries: Brazil, Chile, Colombia, Egypt, Czech Republic, Hungary, Mexico, United Arab Emirates, Greece, Qatar, Peru, Poland, Russia, South Africa, Turkey, China, India, Indonesia, Malaysia, Philippines, Taiwan and Thailand)

"We aspire to be a world-class chemical company making great products for society. Being included by DJSI and ranked among the top five global chemical companies is an important milestone for us. This truly reflects our leadership in sustainability within the industry and the progress we are making in this important journey on a global scale. We will continue to work to have the most positive impact possible on society to create a better future for all."

Mr. Alope Lohia, Group CEO of Indorama Ventures,

How does DJSI and its Corporate Sustainability Assessment (CSA) add value to participating companies?

The assessment helps drive internal activities through greater buy-in from all functions and facilitates the development of sustainability strategies that deliver business value. It also offers companies the opportunity to benchmark their sustainability performance with peers and competitors. Participating companies will be given the opportunity to enhance both their brand and reputation as a global sustainability leader in the eyes of stakeholders, financial analysts, and the public at large. In addition, it makes the results of the CSA assessment particularly relevant for investors around the world.

Index	Companies Invited	Threshold for Invitation
DJSI World	2,500 Largest Companies in the world	Above US\$ 500 MN
DJSI Emerging Markets	800 largest Emerging Markets Companies	
DJSI Asia/Pacific	600 largest developed Asia/Pacific Markets Companies	
DJSI Europe	600 largest developed European Markets Companies	
DJSI North America	600 largest US & Canadian Markets Companies	
DJSI Australia	Entire S&P ASX 200	Above A\$ 100 MN
DJSI Canada	Canadian companies invited to DJSI World & DJSI NA	–
DJSI Korea	200 largest South Korean Companies	Above US\$ 500 MN

Spartanburg's Auriga Polymers celebrates a milestone in business longevity

Auriga Polymers, Inc., welcomed back retirees in April for a “Walk Down Memory Lane” commemorating the plant’s 50th anniversary.



Visitors were greeted in the original textile production area, where the walls were lined with newspapers announcing the company’s rich history, and various name changes – Hoechst to Hoechst Celanese to KoSa to INVISTA to Auriga Polymers, Inc. – as well as a display of their current information and products.

The familiar face of Ronnie Wright, a 50-year veteran and the company’s longest-serving employee, greeted the employees. “Everybody seemed to really enjoy it. They all thought I was crazy because I’m still here,” he said. Wright estimates he’s held about 15 positions with the company, and he attributes his longevity to the company’s tendency to adapt to market changes. Like Wright, adaptability has been a key to success for Auriga Polymers, enabling the company to pivot its business focus in response to the market, noted Mark Holden, the company’s vice president of operations. Indorama Ventures acquired Auriga Polymers in 2011 and committed more than \$100 million to the facility. Today, the company has 450 direct employees, plus an additional stable of contractors.

As the domestic textile industry declined into the 1990s, many of Auriga’s customers closed down. But even as the demand for fiber products decreased, the flexibility of the company’s assets and versatility of polyester resins enabled them to enter new, emerging markets. “We had already started producing differentiated products and bottle resin for the soft drink industry,” Holden explains. “Bottle resin was our bridge from textiles to plastics. It helped keep the plant running and got us to where we are now.” The bulk of Auriga’s business today is tied to advanced materials. The company purchases materials from 756 worldwide vendors to produce high-performing, advanced materials – such as polyester chips and bottle resins used in food and medical packaging – for more than 200 customers globally. The facility’s R&D team, approximately 25 engineers and technicians, work to innovate, test and enhance their materials. The plant was responsible for producing Crystal Clear Oxygen Barrier Resin, OxyClear® – a barrier technology that prevents oxygen from permeating through plastic packaging, lengthening the shelf life of consumer products.

The company has its sights set on future innovations. Recently, IVL committed to invest more than \$35 million to expand existing operations, which includes the installation of an extruder system and other product improvements.

“We’re committed to operating the facility in a safe, compliant way, and respecting the environment. And we plan to be here another 50 years,” said Holden.

Engaged in the community

Mark Holden: “The impact of our facility is huge. Community engagement is a big part of what we do, and we try to make it fun. This year, our employees donated more than \$74,000 to the United Way, and we also support the March of Dimes through financial support and a local soup kitchen through volunteering.

We have an internal challenge between our departments to collect canned foods at the holidays; the area that donates the largest number of cans will receive a ‘Big Heart’ award.

We are proud of what the company and our employees do for the community so we are truly proud of our past but excited about our future.

Employee Spotlight:

Ronnie Wright, Raw Materials Coordinator
Auriga Polymers, Inc. in Spartanburg County
Years of service : 50

About the work that you do

I take care of ordering the minor and intermediate raw materials and take care of the inventory and purchase specifications for polymer raw materials. I keep a spreadsheet with equations that tell me what and when to order based on lead times and what we’re consuming. I complete purchase orders, watch the inventory, and keep the purchase specs current when companies have changes in ownership or specifications. It’s a computer based job that also requires a lot of communications with suppliers who are global. We have at least 44 supplier companies who are providing at least 50 products.

Favorite thing about your job

I guess it’s the change. There’s been a lot of change through the years. I was here when they started the quality assurance program, and I was asked by the plant personnel guy to help check on standard operating procedures. Then I started getting into the specifications, and then started actually ordering raw materials.

PLA fibres and filament yarns from Trevira

The growing demand for more environmentally friendly products creates a necessity for new primary products and materials. Innovative man-made fibres can offer solutions that cannot be attained with natural fibres alone. Alongside optimising existing products (for example new polyester fibres), this includes also the replacement of fossil resources – which are of limited availability – with renewable primary materials. Therefore, one pillar in Trevira's concept of sustainability is the development of fibres and yarns from biopolymers.

Trevira
An Indorama Ventures Company



Trevira PLA fibres are suitable for wet wipes.



Bicopolymers: Trevira PLA fibres

© photo: Trevira /Georgia Pacific
© Photo: Trevira



Trevira PLA filament yarns are the basis of this solar shading fabric made by Vertisol
© photo: Trevira/Vertisol

The raw material

The basis for this fibre and yarn range is polylactid acid (PLA). Among the biopolymers made from plant materials, polylactid acid is accorded by far the greatest technological opportunities, since it combines the desired functions with outstanding properties in terms of degradation. For the most part PLA is made from grain (corn). At present work is also being done to produce the biopolymers in future from plant residues (biomass) – and work is even going on to produce PLA from methane and CO₂.

PLA fibres represent a sustainable alternative to petroleum-based fibres. They constitute the basis for intelligent materials with added functions, new applications and niche products. This makes them equally economic and efficient.

During the polycondensation of PLA, a primary material is manufactured which is the basis for fibres and filaments for all conceivable applications. This is particularly true for the use of PLA materials in combinations with other biologically degradable materials (for example disposable hygiene products). This means that the whole product can be disposed of ecologically at the end of its life cycle.

The advantages

PLA is not only a material made 100% from renewable raw materials, its manufacture causes up to 70% less CO₂ emissions and consumes up to 42% less energy. It is recyclable and up to 100% biologically

degradable (industrially compostable). It shows both good UV stability and fastness to light, and PLA fabrics have a good moisture conductance which is important e.g. for functional apparel. PLA permits energy savings in dyeing due to the low dyeing temperature of 110 °C. The ISEGA certificate for specific fibre types makes these suitable for applications in packaging materials with food contact and materials for hot water filtration (coffee and tea filters).

The applications

Alongside homopolymer types, Trevira's comprehensive PLA staple fibre product programme includes bi-component and hollow fibres for a vast range of nonwovens technologies and suits a great variety of applications – from high-volume nonwovens (e.g. mattresses), wet wipes, hygiene products, technical papers, food packaging and fillings up to nonwovens for agriculture.

Trevira PLA filament yarns are new to the Trevira PLA product programme. Possible applications range from apparel and home textiles to technical areas. Various types of multifilament yarns are available in raw-white or spun-dyed black (as flat yarns and air-or false-twisttextured yarns).

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The six most asked questions about IVL

On 4 November 2017, Richard Jones, Vice President of Indorama Ventures, gave an interview at a seminar organized by Khaohoon, a popular and well-regarded local business daily based in Bangkok. IVL was invited to join the event given the solid performance that is anticipated for the company next year. The audience at the interview were largely retail investors. The event helped them better understand IVL's business model, which is an "inorganic growth business." The talk was also a great opportunity to provide answers to investors' most frequently asked questions.



Why does IVL keep on acquiring companies, expanding its production, and continuously entering new markets?

Building a new factory requires being sure that the facility can service new customers. This is why we see a greater advantage in acquisitions of existing operating sites. There are many companies interested in selling their businesses to us for different reasons. For example, many companies turn their focus to a larger business or even change the direction of their business operations entirely. However, IVL specializes in the polyester chain. We have focused on building a business in which we are well-positioned and can expand our operations to other regions around the world. We are interested in benefiting from an existing company with operating innovations and skilled staff.

When deciding to buy a factory, one of the main points that we consider is the need of customers and the markets for our products. Currently, we have factories located in four continents. We usually receive an offer to acquire companies located in areas where we are not currently present. This makes us open to exploring new markets. We prioritize businesses with a strong potential for innovation and are always on the lookout for value-added companies including those with research and development centers. At present, high value-added (HVA) products are our strength. IVL produces 80% commodity products and 20% HVA products. However, half of our EBITDA comes from the 20% HVA product group segment.

Apart from acquisitions, we have also built a new factory whenever we are ensured the right opportunity. When we first entered Europe, we started by building an operating facility. Then, a chemical company offered to sell their business to us. In Nigeria, we have a PET factory built to our customers' requirements. In the past, these customers needed to import PET from Europe because there was no packaging facility in the country. Therefore, we were ensured a market for products from our newly created factories.

Vertical integration is one of IVL's key strategies. We take into account our investment in a valuable location in order to benefit from the integration of raw materials. A good example is in the United States, where we acquired a facility that produces feedstock products in order to benefit from the price of crude oil and gas. We have an MEG plant in Texas and an ethylene plant in Louisiana, and our raw materials are used in our PET production. Therefore, we have benefited from the price of raw materials and are guaranteed with sufficient raw materials used in our production.

Does an increase in the price of oil affect IVL?

This is a frequently asked question. While it's true that the price of crude affects the price of our PET products, a cost increase does not adversely affect our sales because our customers still purchase our products. For example, in the period when raw materials prices increased, the price of PET packaging rose, but not higher than 10%. For one PET bottle, packaging costs about 4-5% of the sales price. The 10% higher cost in feedstock implies 10% of the 4% of the sale price, which is a marginal effect. On the contrary, when the cost of production is low, a beverage company has never changed the sale price. Instead, they usually provide a sales promotion over a short period. And since we are a producer of materials used for daily necessities, our volume has been increasing 6% each year, relating to the number of customers.

How do you explain IVL's rapid growth?

In the past three years, there has been an oversupply of raw materials for PTA in China. Now is the time of the petrochemical cycle when the industry can recover, and we are well-positioned for a resumption in market opportunities and growing demand from the global population. Also, in the third quarter of 2017, we benefited from higher margins following problems facing some competitors in Europe and the USA. This is the advantage of being a leader in the industry. Since we are a big player with a cost advantage, during the downturn in a cycle, we are able to wait for the recovery. Meanwhile, we also have opportunity to explore potential acquisitions of other companies.

How does IVL successfully absorb and manage its acquisitions?

When we purchase a facility, we are confident of the potential of the employees and experts as well as the value of the production technology. While we may make minor adjustments, our aim is to provide the most

benefits and improve the way employees can work. For example, we adopt a policy to order raw materials for production from the IVL Group. In addition, the difference between IVL and predecessors is that ours is an investment that is committed to the long-term. Some facilities we buy are in need of maintenance. Our investments in this regard are because we see potential, and that the acquisition will help IVL to reduce costs and achieve long-term benefits as a result.

Who are IVL's competitors in the global market?

This is a very difficult question. We can probably say that we have no global competitors since we cannot compare our business with any company in the world. There is no company doing business in the same exact way as IVL. To make a comparison, the criteria more often than not varies according to product groups, innovation, revenue and markets as well as operational performance, which can be diverse according to the geographic location.

How do you explain your focus on sustainable growth?

Sustainable development is one of the key issues and priorities on the part of IVL's executive team. We give priority to developments in technology, innovative products, energy reduction and recycling. Furthermore, in every business unit, we effectively manage data collection by using advanced technologies in order to internally compare the information and exchange knowledge among our subsidiaries around the world. We encourage all of our employees to think about sustainability, how to improve IVL's operations, and have a variety of initiatives implemented by each of our locations to reduce resource and energy use.



Talent Acquisition in the Digital Age

Organizations around the world are facing a radical shift in multiple contexts due to technological advancements, and are also in a period of demographic transition. The millennial generation, which differs from other generations in terms of career aspirations, attitudes about work and technological know-how, is now entering the workforce and will define its culture in the future. Millennials matter not only in terms of their working style but also play an important role in dominating workforce demographics. By 2020, millennials will form 50% of the global workforce. Millennials have traditionally been viewed as being hard to attract and retain. Attracting and retaining the talent of these millennial workers is important in order for your business to remain competitive.

Business leaders and human resource administrators should look to a new model in order to attract talent. They must find new ways of thinking about how to engage interest in their positions in the market. Talent acquisition in the digital age must use comprehensive tools to find people in new ways, and attract them at the speed that businesses require. Talent sourcing faces huge pressures, as capacities and skills shortages are widespread as millennials aspire to become entrepreneurs and prefer joining startups rather than working at large companies. With all of this in mind, here are some ideas which can help you:

Creating an effective employer brand through online platforms

The digital landscape allows a business to get closer to their candidates. Employers can consider how they communicate their value proposition to the labor force by using a wide range of social media including LinkedIn, Facebook, or YouTube where companies can share job vacancies, employee activities and show current staff talking about their work experiences in the organization. This kind of direct engagement can be useful in promoting awareness about a company's work culture and values, and gaining the interest of millennials.

Broaden sourcing channels

Organizations have many sourcing strategies and tools to attract and engage talent. According to the 2017 Deloitte Global Human Capital Trends survey, 51 percent cite employee referrals as one of their top three channels, followed by professional networking sites at 42 percent, and internal candidates at 40 percent. The use of technologies and diversified platforms for sourcing and advertising positions is something organizations should place under strong consideration. Non-traditional sources should be embraced in sourcing and recruiting for the many jobs that need to be filled, including for both full-time and part-time employees.

Experiences that matter

The most important key success of attracting talent is to create a strong and competitively differentiated prospective candidate and employee experience. Companies should consider a comprehensive experience for candidates during the job application process across all platforms. By doing this consistently, employers can gain a positive reputation in the marketplace because in the digital world, sharing is the norm among millennials. One popular example is the Glassdoor site where employees and former employees can anonymously review companies and their management.

In conclusion, creating an attractive employer brand involves many factors. But the overriding element is the overall applicant/employee experience, which requires engagement and accessibility.



source : Millennials at work Reshaping the workplace, PWC
2017 Deloitte Global Human Capital Trends

Save the bottles, Save the planet

Let's start to sort it out.

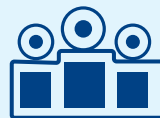
Indorama Ventures' Head Office in Bangkok has initiated a project to support the recycling of used PET plastic waste to our recycling facility in Nakhon Pathom. This project is called "Save a Bottle, Save the Planet" as a waste separation campaign. The focus is on encouraging employees to follow the correct way to discard drinking bottles. Before throwing a bottle into the bin, you must peel off the label, remove the cap and separate the bottles only in recycling bins that we have provided at various points on each floor of our office.

The result of this project is greatly satisfying. From the beginning of the campaign in April 2016 until November 2017, we collected 17,861 bottles, which weighed a total of 312.6. This is an excellent start for the company to educate, involve and encourage behavior of our employees to segregate waste. PET bottles are 100% recyclable. Recycling helps preserve the environment in many ways. To put it in perspective, one recycled plastic bottle can save enough energy to power a 60-watt light bulb for three hours. By starting with separating waste, we can achieve important and tangible benefits from recycling.

Advantage of recycling 10,000 metric tons of PET



Reduces the need for a landfill area by
6
square meters.



Creates jobs for over
100 people
(including collecting and sorting waste)

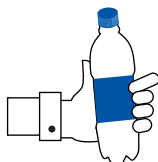


Reduces carbon dioxide emissions.
15,000
tons

Be a part of the environmental protection movement

Follow these steps to separate PET bottles before throwing into the bin.

Drink up



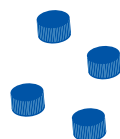
What do you do with plastic water bottles after you finish drinking? Plastic bottles are generally made from PET, which is 100% recyclable. We should separate and sort out waste to make recycling easier.

Remove the label



The label on a bottle of drinking water in general is made of PVC, which is a different type of material from the bottle. At our recycling plant, one of the key processes is to clean the bottle and filter out the label. Therefore, to make it easy to recycle, we should take the label off before throwing a bottle into the bin.

Separate the cap



The bottle cap is made of HDPE material, which is recyclable. However, as it is a different type of plastic, the cap should also be separated.

Separate the bottle



After we have separated other non-PET materials, we should squeeze the bottle into a more flattened piece for ease of collection and transportation. Do not forget to notice the "recycle" sign on the bin for the correct sorting.

Guideline for Internal Information Control and Usage of Inside Information Policy (Part 2)

As promise from the previous issue, this CG Factoid is wrapping up our article about how to handle sensitive information. Here are the other two risks. Our company could be accused of violating anti-competition (or anti-trust) law if you exchange or discuss information on the next list with our competitor. However, if you are requested to share such information by trade magazines or industry association for research purpose, please consult with your local legal team first.

Anti-Competition Risk Information

1. Pricing information
2. Sales territories
3. Sales quantities and targets
4. Cost structure
5. Discounts and other sales conditions
6. Customer and supplier information



Other than the fact that information on the next list is confidential, you have insider-trading issues if you share it with outsiders or use it for your benefits. They are pieces of information that have potential impacts on IVL stock prices. As we are a listed company, we have a duty to provide information to all shareholders including the public at the same time. However, if this data is already in the public domain then there is no legal issue. Keep in mind that we have designated spokes persons and that discussing the following will still be an issue within the company.

Insider-Trading Risk Information

1. Financial data
2. Information about potential mergers and acquisitions
3. Information about potential significant investments
4. Potential changes in key positions including directors and senior management
5. Material litigation

Please keep in mind that these lists do not cover everything. You may run into a situation where you have a piece of information that you are not sure you can share. Our advice would be it's for the best if you do not discuss these issues. Certainly, never share IVL information that is not already in the public domain unless you are authorized to do so.





Interview with the Champ

In the previous issue of The Beacon, we already saw the winning designs of the RECO Young Designer Competition 2017: the Champ of the Champs. In this issue, we are pleased to interview the winner who offered an interesting view of the environment as it relates to fashion design following his experience with RECO.

Jirawat Thamrongkittikul, a 25-year-old champion is now an assistant designer at the “Drycleanonly” brand. After graduating in Fashion Design, he started his career in the fashion industry. His ultimate goal is to have his own fashion label. Jirawat was a finalist in RECO 2014 but he missed out on the top prize. This time around, he joined the competition once again and was able to claim victory over the previous champions. He described his winning collection, “Landscape of Monet,” as something that represents his identity in terms of craftsmanship, and style, together with his particular embroidery techniques.

Design and the environment

Environmental conservation is an issue that designers absolutely have to consider. Everyone’s lives depend on the environment. I used post-consumer materials for every design in my collection for RECO 2017. All of the outfits are made from recycled polyester and PET, as well as the Ecorama fabric made from recycled PET bottles. I tried to find the best way to use Ecorama in my work as much as possible because I wanted to show people that recycled PET fabric can create pretty dresses in various looks and still be environmentally friendly.

What the winner says...

What I gained from RECO is not only an award. During the competition, I had an opportunity to gain really useful feedback and comments and was guided by judges who are experts in the fashion industry. I took in all of the comments to develop my work. These opportunities do not come to us easily. Furthermore, after winning the award, more people in the industry knew me and recognized my work. Many famous stylists have come to me for my collection. I am really proud that my collection is recognized and contributes awareness of environmental preservation to the public.

“The inspiration of the collection ‘Landscape of Monet’ was from the artwork of Claude Monet, the famous French Impressionist painter who had a passion for the beauty of light, colors, and shadows of nature. Most of Monet’s works have elements of flowers, grass, the sky and lakes in the small village of Giverny, where he created his works that left people around the world spellbound... Even until today.”



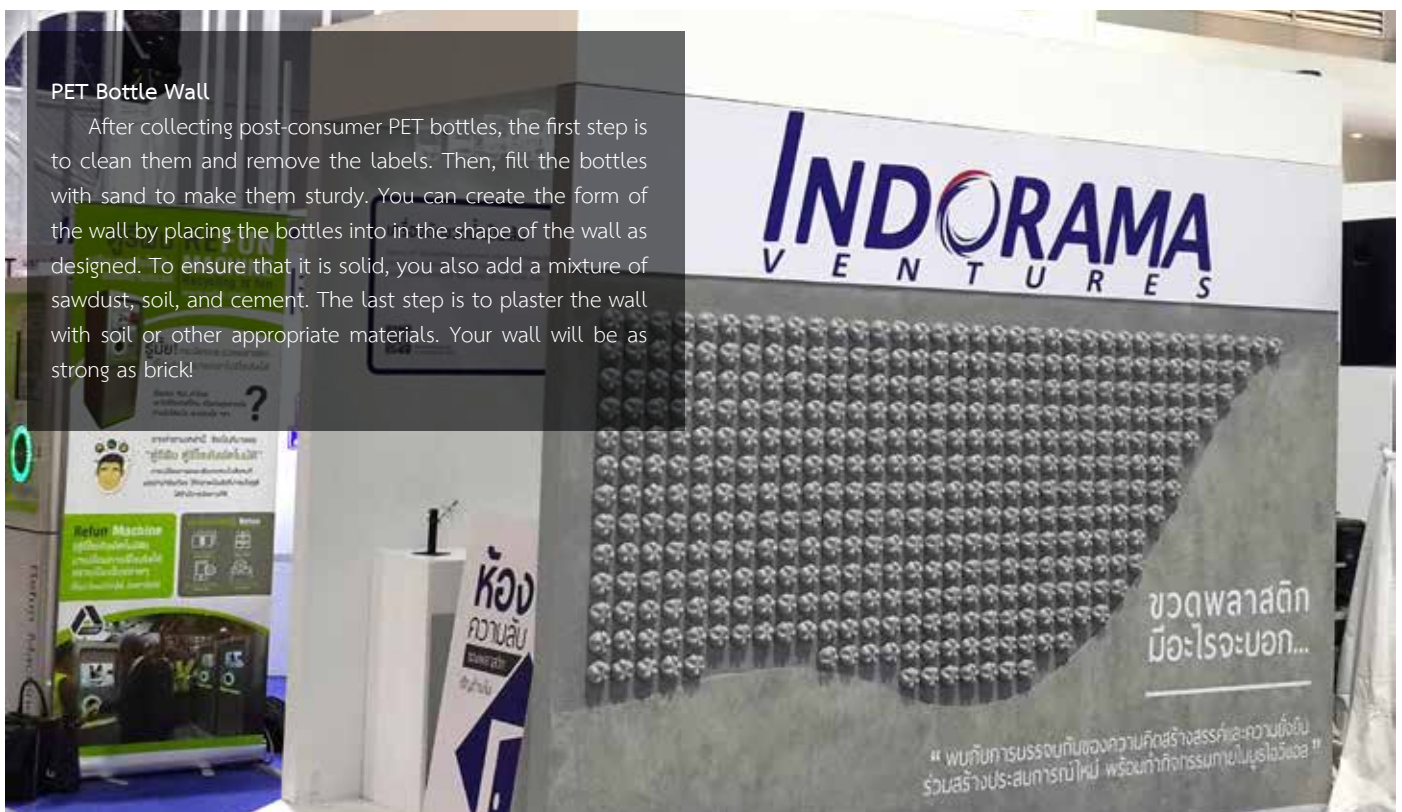


Upcycling design idea from used bottles

The PET bottle is made of eco-friendly materials and is 100% recyclable. One of IVL's business units involves the recycling of PET bottles. rPET, or recycled PET, can be used as material for consumer packaging as well as recycled polyester fabric. However, post-consumer PET bottles can nevertheless be creatively reused for other purposes, if they are not recycled. The following ideas are some cool examples of getting the most out of PET, given their durability and long lasting qualities.

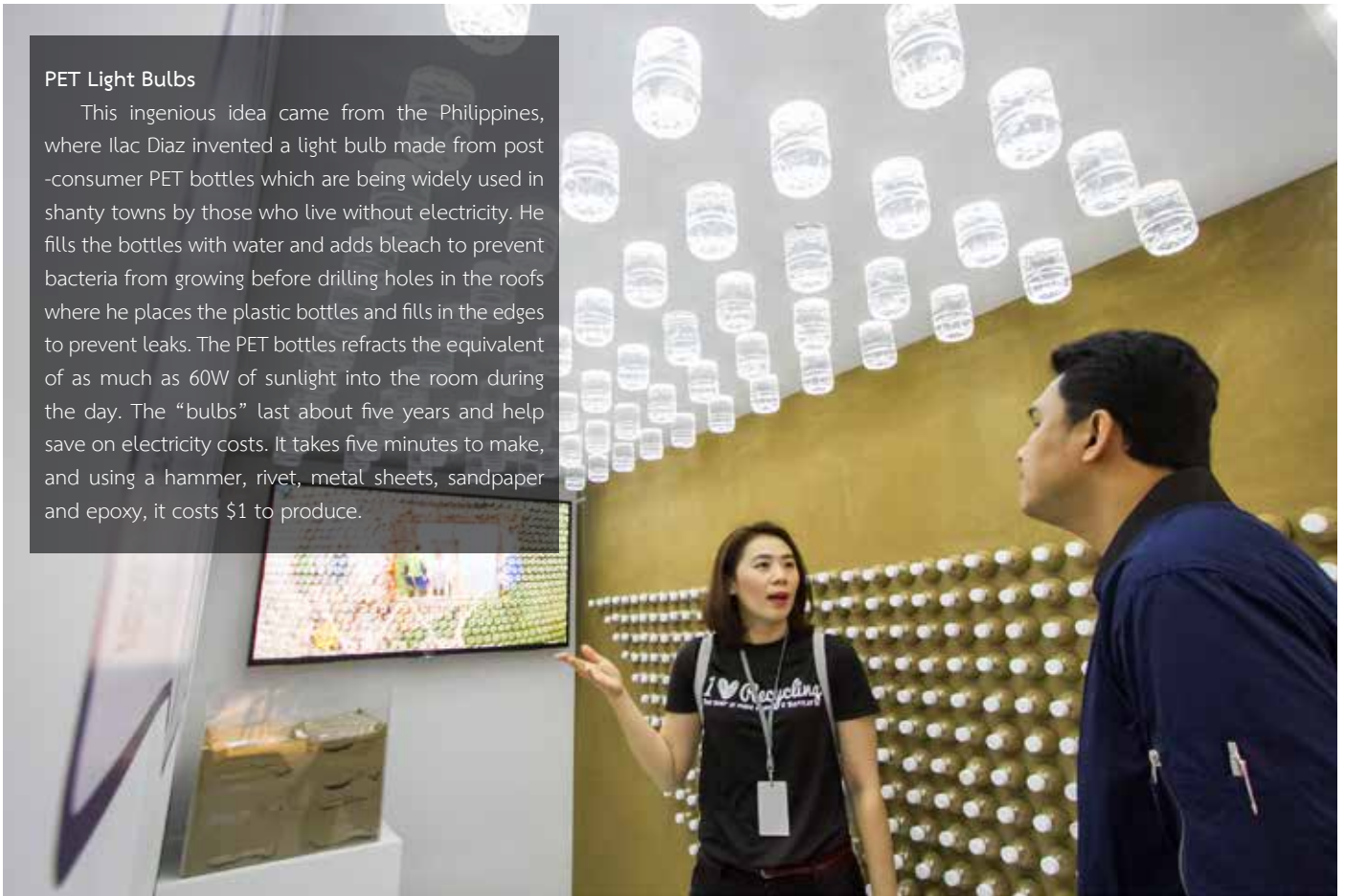
PET Bottle Wall

After collecting post-consumer PET bottles, the first step is to clean them and remove the labels. Then, fill the bottles with sand to make them sturdy. You can create the form of the wall by placing the bottles into in the shape of the wall as designed. To ensure that it is solid, you also add a mixture of sawdust, soil, and cement. The last step is to plaster the wall with soil or other appropriate materials. Your wall will be as strong as brick!



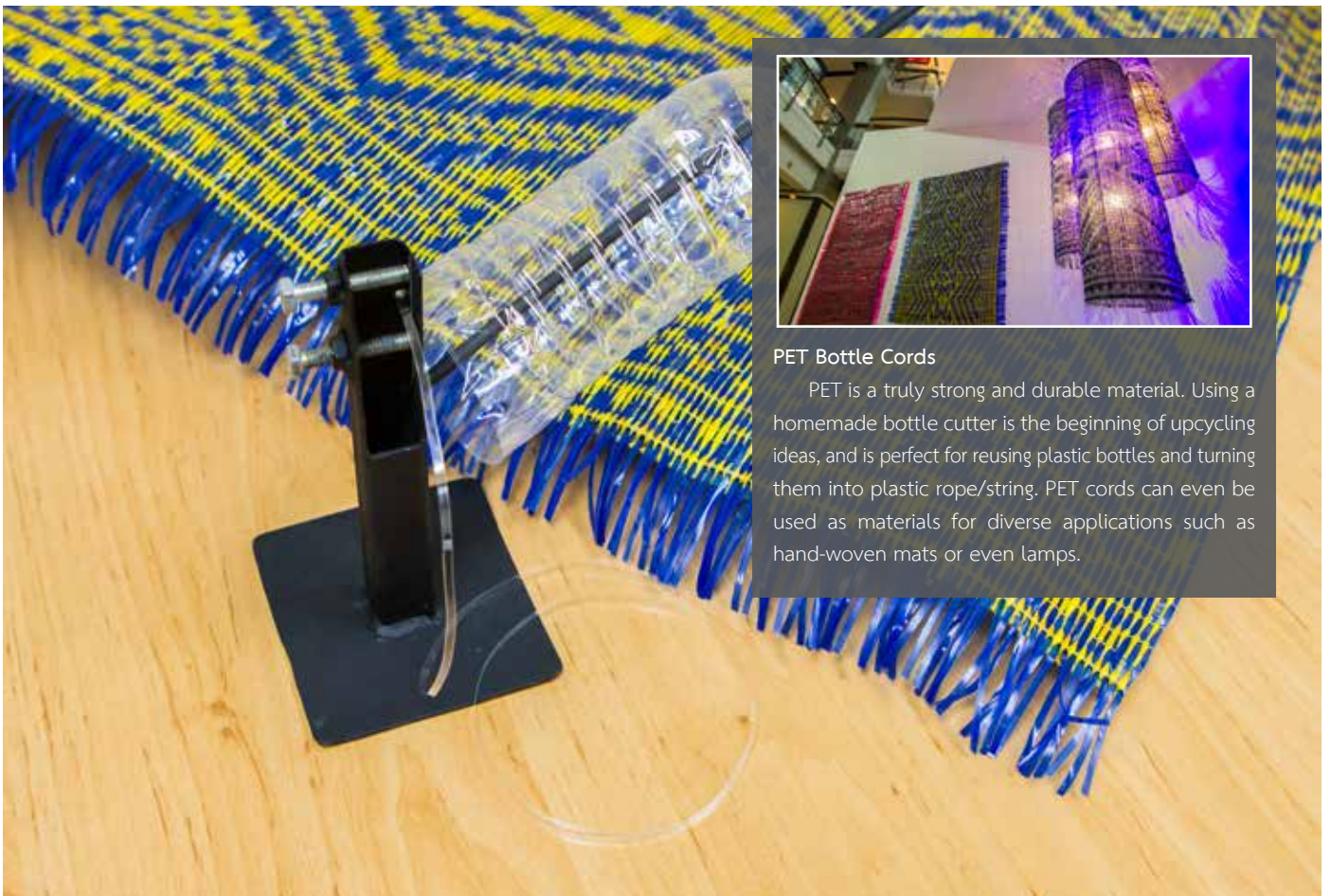
PET Light Bulbs

This ingenious idea came from the Philippines, where Ilac Diaz invented a light bulb made from post-consumer PET bottles which are being widely used in shanty towns by those who live without electricity. He fills the bottles with water and adds bleach to prevent bacteria from growing before drilling holes in the roofs where he places the plastic bottles and fills in the edges to prevent leaks. The PET bottles refracts the equivalent of as much as 60W of sunlight into the room during the day. The “bulbs” last about five years and help save on electricity costs. It takes five minutes to make, and using a hammer, rivet, metal sheets, sandpaper and epoxy, it costs \$1 to produce.



PET Bottle Cords

PET is a truly strong and durable material. Using a homemade bottle cutter is the beginning of upcycling ideas, and is perfect for reusing plastic bottles and turning them into plastic rope/string. PET cords can even be used as materials for diverse applications such as hand-woven mats or even lamps.



International Women's Day (IWD)



Ms. Suchitra Lohia
Director and Chairperson
of the Sustainability
Committee of IVL,

Every year, International Women's Day (IWD) is celebrated on March 8. The very first women's march was originally held in New York City in 1908 to support better working conditions and voting rights, while women's suffrage movements agitated for change in Europe. The struggle has subsequently continued beyond voting rights for which New Zealand was the first country granting full suffrage in 1894 with other countries following suit in the early 20th century.

The United Nations adopted International Women's Day in 1975 and determines the theme for IWD each year in order to emphasize and encourage the actions of women around the world. 2017's theme was, 'Women in the Changing World of Work: Planet 50-50 by 2030.' The theme builds on the gender equality theme from the previous year: 'Planet 50-50 by 2030.'

For International Women's Day this year, the company took the opportunity to clearly communicate its position on the issue of gender equality. The internal communications campaign showed that the company has recognized the role of women employees. Ms. Suchitra Lohia, Director and Chairperson of the Sustainability Committee of IVL, was interviewed by the Beacon, and discussed how the company is ensuring gender equality and encouraging and supporting the careers of women employees. "Gender diversity is a critical part of the equation. IVL provides a safe workplace and an environment where women are respected.

We are now focusing on more structured and formal programs to identify and develop talent in the workplace. We will endeavor to create a corporate culture that recognizes gender diversity across middle and senior management. More needs to be done to measure and report women's progress in management positions. Today, women are more educated, more exposed and more connected. Given an equal opportunity, with commitment and patience, there should be no reason why we cannot rise to the top," said Suchitra Lohia.

Gender equality is an important priority for IVL and is an essential part of the wider issue of diversity. For Indorama Ventures, we see the importance of diversity in every aspect. We recognize the need to support and respect workers with different work styles, who represent diverse cultures, generations as well as genders. An increased level of respect will support positive relationships among working teams, resulting in achieving superior performance and productivity throughout the Company. Externally, this relates to business reputation as well in improving how IVL is perceived by customers and peers, and will go to further attracting increased talent, ensuring that the IVL is a company that stands for strong ethical standards and fair employment, thereby gaining more trust from its stakeholders and employees.



In the vicinity of Lovosice, the Czech Republic

In April 2017, Indorama Ventures acquired the Glanzstoff Group, a manufacturer of automotive tires and reinforced yarn for tires in high performance European cars. The company has facilities located in Luxembourg, Italy, the Czech Republic and China. In this article, we are going to explore “Lovosice,” a small town in the western part of the Czech Republic where our new facility is located.

Czechia, or the Czech Republic, covers an area of 78,866 square kilometers with over 10.5 million inhabitants. Lovosice is located in northern Bohemia, the same region as Prague, the country’s world-famous capital. If you have the opportunity to visit our factory, the best place to relax is called the Lovos Lookout, where you can enjoy a beautiful view of the village from the hillside. It is an ideal location for a relaxing picnic.

About eight kilometers from Lovosice is the enchanting city of Litomerice, which is characterized by its stunning architecture. There are colorful Gothic, Baroque and Renaissance buildings right in the center of the city, bordered to a great extent by well-preserved Gothic fortifications. Peace Square, the center of the town dates back to the 13th century, and is the location of the House at the Black Eagle. This striking Renaissance building tells the history of the city, which is famous for its wine.



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