

# Indorama Ventures PTA Montreal L.P.

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Forced Labour and Child Labour in Supply Chains Company  
Assessment

May 31, 2024

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# Introduction

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Indorama Ventures PTA Montreal L.P. (“IVPTA”) firmly believes in the inherent rights and dignity of all human beings. The company's commitment to eradicating slavery and human trafficking is unwavering, with these practices strictly prohibited across the group and throughout its supply chain.

IVPTA promotes an inclusive environment and a diverse workforce, viewing diversity as one of its core values and fundamental strengths. IVPTA deeply values the wide range of knowledge, perspectives, and experiences within the global organization it is part of, leveraging these diverse insights to enhance competitiveness and drive success.

This report outlines IVPTA' compliance with the S-211 Act, detailing the ongoing efforts to combat forced labour and child labour, and underscores the company's dedication to fostering a workplace rooted in respect, equality, and ethical integrity.

## Structure, Activities & Supply Chain

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IVPTA operates as a private company (business number: 143704245) based in Montreal. Company's financial reporting year covered in this report is January 1, 2023, to December 31, 2023. IVPTA satisfies the definition of an Entity within the Act by having a place of business in Canada, conducting business in Canada, having assets in Canada, and meeting both asset and revenue thresholds.

IVPTA, as of May 31, 2024, has 142 employees.

IVPTA is reporting on behalf of Indorama Ventures Northern Investments Inc and Entreprise Gestion Indorama Inc.

### Structure

IVPTA, formerly CEPESA Chimie Montreal (CQM) and initially Interquisa Canada, was created in 2000 from a partnership between Société générale de financement (SGF) and CEPESA (Spain). Established in the heart of the industrial zone of eastern Montreal, the plant has been in operation since 2003.

IVPTA is a limited partnership governed by the Civil Code of Québec. IVPTA is a plant, part of a Thai world-class sustainable chemical company (listed as Indorama Ventures Public Company Limited (“IVL”) on the stock exchange).

### Activities

IVPTA operates in the petrochemical industry as a manufacturer. The company produces purified terephthalic acid (“PTA”), which is part of the business segments of Integrated PET. This segment includes businesses in the aromatics and PET value chain, including PX, PTA and PET. Given PET's

unique properties of 100 percent recyclability, reporting under this segment also includes IVL's recycling initiatives across the polyester value chain.

## Supply Chain

IVPTA directly procures goods from companies from Canada (10), the USA (2) and China (1).

## Policies & Due Diligence

IVPTA has the following policies in place relevant to this Act:

Policy	Description	Support in Mitigating Forced and Child Labour
Governance Handbook	The document demonstrates the company's commitment to good governance for all stakeholders, including shareholders, employees, clients, and suppliers. It outlines the company's mission, vision, values, and code of conduct, ensuring full compliance with laws and regulations in every region and country where it operates. A dedicated section addresses human rights policies throughout the supply chain and key stakeholders, emphasizing non-discrimination, anti-intimidation, and anti-harassment, and promoting equity and inclusion. This section also includes a specific part on child and forced labour, which the company firmly condemns in its internal operations, as well as among clients and suppliers, in strict accordance with local laws.	The document supports mitigating forced and child labour by establishing clear, explicit policies that condemn these practices and ensuring compliance with local and international laws. It outlines robust human rights policies within the supply chain, emphasizing non-discrimination, anti-intimidation, and anti-harassment measures. Additionally, it requires suppliers and stakeholders to adhere to these standards, fostering a safe and equitable working environment across all operations. This comprehensive governance framework ensures continuous monitoring and enforcement, thereby mitigating the risk of forced and child labour effectively.
Employee Handbook	The employee handbook aims to provide IVPTA employees with a guide to ensure good working conditions. It	By providing clear guidelines on employee rights and work standards, the employee handbook establishes a

Policy	Description	Support in Mitigating Forced and Child Labour
	<p>outlines, among other things, elements related to civility, working hours, remuneration, leave, benefits, and training.</p>	<p>framework for work and ethics within the organization. By raising awareness among employees about their rights and encouraging transparency and accountability within IVPTA, the handbook helps prevent illegal practices and protects workers.</p>
Sustainability Report	<p>The document outlines the company's global ambition in Environmental, Social, and Governance (ESG) initiatives across all its operational regions. It presents key statistics on their environmental performance, robust governance, and social impact. The social section highlights various aspects, including how they invest in their employees and in health and safety improvements, and describes their sustainable chain program.</p>	<p>This document supports the mitigation of forced and child labour by showcasing the company's commitment to robust governance and ethical practices within its ESG initiatives. It outlines specific measures taken to ensure ethical supply chain management, including responsible sourcing policy and supplier ESG assessment. By prioritizing health and safety improvements and investing in its people, the company actively works to create a safe and fair working environment, thereby reducing the risks of forced and child labour in all regions where they operate.</p>
Supplier Code of Conduct	<p>The Supplier Code of Conduct outlines the commitment of all affiliated companies of IVL to conducting business in compliance with all applicable laws, regulations, high ethical standards, and corporate responsibility. It ensures alignment with the supply chain and expects suppliers to adhere to similar principles.</p> <p>This Code applies to subsidiaries and suppliers, and the company may request self-certification, on-site evaluations, and</p>	<p>This document supports the mitigation of forced and child labour by establishing stringent requirements for suppliers to comply with international labour standards, specifically those set by the International Labour Organization (ILO). It mandates adherence to ethical practices, including the prohibition of child labour and forced or compulsory labour, and requires suppliers to undergo self-certification, on-site evaluations, and inspections. By enforcing these measures and promoting transparency and</p>

Policy	Description	Support in Mitigating Forced and Child Labour
	<p>inspections of suppliers and their subcontractors. The document includes a section on human rights based on the Universal Declaration of Human Rights, covering diversity and equality, appropriate working hours and wages, and respect for freedom of association and collective bargaining. Additionally, it addresses child labour and forced or compulsory labour in accordance with International Labour Organization ILO regulations, stipulating that such practices are not permitted.</p>	<p>accountability within the supply chain, the Supplier Code of Conduct helps ensure that suppliers uphold human rights and labour standards, thereby reducing the risk of forced and child labour.</p>

**Due Diligence**

In addition to the previously presented policies and documentation, IVPTA monitors the participation rate in training on human resources policies by its employees to ensure that both new and existing employees have received all relevant information regarding these policies and documentation.

By requiring suppliers to undergo self-certification, on-site evaluations, and inspections as outlined in the Supplier Code of Conduct, IVPTA can ensure their compliance with the sections on child labour and forced labour as mandated by the Act. If an audit identifies any violations of the Code, suppliers must promptly rectify the issue. Failure to do so may affect their future business relationship with IVPTA.

# Risk Assessment

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As a company operating as a manufacturer, the industry is deemed as having an inherent risk of forced labour or child labour by Walk Free’s Global Slavery Index.

A risk assessment of the goods procured by IVPTA and countries from which the goods are procured from has been performed in relation to the Act. This risk assessment used two separate indices to conclude on inherent risk of forced labour and child labour related to goods and countries — Walk Free’s Global Slavery Index and the US Department of Labor’s List of Goods Produced by Child Labor or Forced Labor.

While we know that some of our vendors purchase goods from foreign countries, we do not know the full extent to where our vendors purchase their goods from. We are also aware that we purchase highly finished goods built with multiple materials and that each material may contain a different risk profile for supply chain risks.

## Goods Procured

IVPTA purchases its main input materials from three business segments of products which have been procured from various vendors. For the purposes of assessing risk associated with goods in IVPTA’ supply chain, product categories making up at least 1% of total procurement spend for fiscal year 2023 were evaluated. Any product categories below 1% of total procurement are deemed immaterial for this assessment and excluded from the analysis.

As a result of determining the scope of the assessment, the categories of goods evaluated for forced labour and child labour risks are:

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- |               |               |
|---------------|---------------|
| • Paraxylene  | • Acetic Acid |
| • Natural Gas | • Electricity |
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All these goods were not directly identified within the two noted indices; therefore, they carry low inherent risk of forced labour and child labour.

## Countries of Procured Goods

For assessing country-associated risks of forced labour or child labour, IVPTA evaluated all vendors representing more than 1% spent from which it purchased goods in 2023 fiscal year. The analysis found that all of its vendors are from Canada and the United States. According to both global benchmarks, there is low inherent risk exposure or forced labour and child labour identified since IVPTA’ vendors are from Canada and the United States.

# Mitigation Activities for Forced Labour and Child Labour

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IVPTA upholds the highest standards to mitigate risks associated with forced labour and child labour, ensuring ethical practices across all operations. It rigorously enforces comprehensive policies and procedures within its internal operations and maintains strict oversight of its supply chain. By conducting regular audits and engaging in transparent partnerships with suppliers, IVPTA is committed to fostering a responsible and humane work environment. This dedication reflects its unwavering commitment to corporate social responsibility and the ethical treatment of all workers in the supply chain.

## Supplier Management

### Supplier onboarding and monitoring:

- IVPTA plans to distribute a self-assessment to its major suppliers evaluating their practices regarding forced labour and child labour.
- Presently, suppliers may be subject to ad hoc audits evaluating their overall performance. These audits may encompass elements of the Act. IVPTA retains the prerogative to evaluate a supplier's dedication to mitigating the risk of forced labour or child labour within their operations and supply networks. This assessment can occur through the completion of the provided self-assessment form or via on-site inspections focusing on practices associated with child labour and forced labour.

## Awareness Training

IVPTA currently does not provide specific training on forced or child labour. However, the company mandates training on business governance for all employees. Recognizing an opportunity to strengthen this training in compliance with the legal requirements of the Act, IVPTA plans to incorporate a module on forced labour and child labour awareness. IVPTA will assess and integrate the relevant content soon.

## Remediation of Forced & Child Labour & Vulnerable Family Income Loss

As of May 31, 2024, IVPTA has not identified, detected, or had any reason to suspect cases of forced labour or child labour within its operations or those of its direct suppliers. Therefore, no corrective measures were required during the 2023 fiscal year regarding forced labour or child labour, nor in any cases resulting in income loss for vulnerable families.

## Self-Assessment Process Related to Forced Labour and Child Labour

IVPTA has undertaken the following actions to prevent and reduce the risk of forced labour and child labour:



- Conducting an internal risk assessment of forced labour and/or child labour in the organization's activities and supply chains. IVPTA has identified goods and countries within the supply chain that have inherent risks of forced labour and/or child labour in this report.
- Implementing reporting policies and procedures that create a culture where employees feel safe and capable of reporting instances of forced labour and/or child labour or any other form of suspected exploitation.
- Developing due diligence policies and processes for identifying, addressing, and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains.
- Implementing anti-forced labour and/or anti-child labour processes: IVPTA has identified the opportunity to send self-assessments to suppliers related to forced labour and child labour.
- Monitoring suppliers: IVPTA uses periodic on-site visits for key suppliers to monitor supplier relationships. This has been identified as an opportunity to verify whether suppliers are adhering to labour laws and regulations, specifically in relation to forced labour and child labour.
- Developing and implementing training and awareness materials on forced labour and child labour: IVPTA has identified the opportunity to develop employee training relevant to forced labour and child labour.

# Attestation

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In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

**Full Name: Eugenia Sokolova**

**Signature**

**Title: Finance and administration manager**

**Date: May 31, 2024**

I have the authority to bind IVPTA, and this report covers 2023 financial year and applies to IVPTA, that is considered to be a reporting entity in terms of the Act.