

2013

SUSTAINABILITY REPORT



Leveraging **knowledge**
and **expertise**
across technologies
and geographies

The World's Leading Polyester
Value Chain Player



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Indorama Ventures PCL 2013 Sustainability Report

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Statement from Our Group CEO

There is an environmental consciousness developing throughout the global community and it is shaping our future. As businesses and organizations look towards strategies for growth, more and more are driven by sustainability. This is certainly true at Indorama Ventures. The future of our company depends not only on our profitability, but also very much on how we manage our impact on society and the environment and how we act for the benefit of all stakeholders. We are in a unique position today as a global player, and one of the biggest advantages we have at IVL is to be able to reach people across the world and, in our own way, make a difference.

IVL is committed to creating value for every stakeholder. We are a global business, serving global brand owners who themselves have set up sustainability targets and look to us as a preferred supplier. This is why we have decided to begin reporting our sustainability performance following the more stringent guidelines of the Global Reporting Initiative (GRI). By becoming more transparent and accountable, we are making a pledge to leave behind the smallest footprint that we can on our planet.

I believe innovation going forward will be sustainability-led, bringing solutions across all aspects of our business, from the sourcing of our raw materials to production process efficiencies. In 2013, Indorama Ventures further enhanced our sustainability performance by reducing our use of resources and saving on cost. Current operational excellence projects are expected to save the company US\$5 per metric tonne in 2014 and we still see more areas where we can reduce energy and water consumption while promoting further efficiencies in our production process.

As the premier recycler of post-consumer PET in Europe we have applied ourselves to being the leader in this potentially mega-growth industry in response to consumer desire for a sustainable solution. Our experience in recycling post-consumer resin in Europe has convinced us that recycling plants will become an important addition to our resin and fiber plants globally. In response to demand here in Asia, we recently completed construction of a new recycling plant in Nakhon Pathom, Thailand, adjacent to our Indorama Polyester Industries Polyester Fibers plant. Moreover, in the USA today, we are the only player offering a comprehensive recycled PET backbone solution to our fast-moving branded consumer goods customers.

I sincerely hope that as you read this report you will see how in just a few years since our listing, Indorama Ventures has become completely immersed in the enhancement of operational efficiencies and the implementation of reducing, reusing and recycling strategies that seek to extend the sustainability of our company and the world around us while positively adding to the bottom line. As far as we may have come though, we are only at the beginning of our journey. We will continue to do our part for our planet and work towards our goal to becoming the world's most sustainable polyester producer.



Aloke Lohia
Group CEO



Statement from Our Sustainability Committee Chairperson

“To be one of the most admired global chemical companies is a high aspiration; it is the path we choose for the sustainability of our business, society and the environment”

To us, sustainability is not a public relations strategy. It is our way of conducting business in response to the growing needs of the world; from increasing population, natural resource depletion and environmental degradation. We are optimistic about the future, where we foresee the world by 2030 having a more sustainable lifestyle with carbon-neutral living spaces, smart packaging, high-tech communications devices, smart transportation, and increasing use of renewable energy. I personally see it as a vast opportunity for Indorama Ventures to grow our business while helping the world to be a more sustainable place.

The key to unlocking this opportunity is through innovation. Indorama Ventures focuses on understanding the needs of our customers and provides them with the solutions to their sustainability challenges. To assist us in this we have research and development facilities in Germany and the United States of America with a focus on developing innovative building blocks for our customers to use in their products. One example of this creative output is an extrusion blow molded polymer that can be recycled and yet is much stronger than conventional polymers. The focus on innovation results in High Value Added (HVA) products such as flameproof fibers, films and fibers for medical and hygiene uses. All these account for 25% of our revenue today.

Nonetheless, we need to step up our efforts in acquiring more HVA businesses to lead future growth. This will be enhanced in coming years as we actively seek out new acquisitions to add to our portfolio. Apart from acquisitions, there are also possibilities of commercializing products from current R&D. Our scientists are continually developing new ideas in cooperation with customers. This will help in the sustainability of the company as well.

In addition to the innovation to meet our customers' needs, Indorama Ventures also considers recycling as one of the key elements in our business model and is likely to become a mega-trend globally. Arising from this, we have acquired and are operating large scale recycling facilities in Ireland, France and the Netherlands. Through IVL's global synergies, we have been able to transfer recycling technology to the Company's Asian assets in Nakhon Pathom, Thailand, where a recycling unit commenced in 1Q14. We expect to further leverage on bottle-to-flake technology across group assets.

In addition to recycling, IVL continues to promote our sustainability initiatives through the seven pillars of sustainability namely Waste Reduction, Reducing Resources, Renewable Energy, Employee Development, Stakeholder Engagement and Local Community Development. We are seeking to identify tangible goals for each pillar to help our facilities define their initiatives in alignment with corporate direction. We hope to complete this exercise and to communicate this to our stakeholders by 2015.

Besides our business initiatives, we have also been paying particular attention to the health of our staff with regular health checkups on a global basis and activities such as workshops on early breast cancer self-help detection.

For 2013, I consider that our sustainability performance has met our targets. Our key highlights are our ability to produce polylactic acid (PLA) fibers at our joint venture, Trevira GmbH for use in the shale gas industry's fracking process. PLA will disintegrate harmlessly over a short period and is very environmentally friendly. Our subsidiary, Wellman International is producing fibers from post-consumer PET waste collected throughout Europe.

This report does not seek to summarize our achievements on sustainability management, but more importantly, it demonstrates how we intend to drive IVL's vision of sustainability in the years to come, in line with our vision of becoming one of the most admired companies in our space in the world.



Suchitra Lohia

Director and Chairperson of the Sustainability Committee

Sustainability of Our Business

ML has a deep commitment to sustainability that serves as the foundation of our overall business strategy

Vision

Indorama Ventures will be one of the leading global producers in the Polyester space with our key focus on people and processes, thus making us one of the most admired companies in the world.

Mission

We will continuously upgrade the quality of our products and services through the involvement of stakeholders and by utilizing world-class processes to attain customer delight, thus becoming a preferred supplier. We will institutionalize people learning as a key factor for business growth.

Value

People First

We believe that people are our core strength, be it our employees, suppliers, customers, shareholders or other stakeholders. Their involvement and satisfaction are the key drivers for our success and growth.

Customer Delight

We believe we exist because of our customers. We focus our activities to achieve customer delight and loyalty for a long lasting relationship.

Social Responsibility

We believe in being responsible and caring for society; maintaining as well as enhancing the environment around us.

Corporate Governance

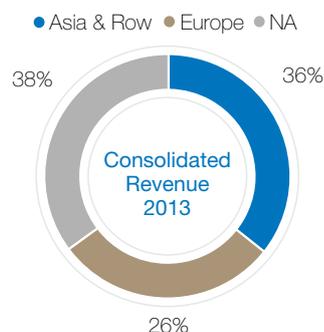
We believe in transparency, accountability and ethics. We aim to achieve the highest degree of governance in accordance with best practice.

Key Information

Name of the Company	Indorama Ventures Public Company Limited
Headquarters	75/102 Ocean Tower 2, 37th Floor, Soi Sukhumvit 19, Asoke road, Kwaeng Klongtoey Nuer, Khet Wattana Bangkok, Thailand
Number of employees	9,173
Business sector	Indorama Ventures Public Company Limited is a holding company conducting its business through investment in subsidiaries and affiliates engaged in the manufacture of integrated petrochemical products both domestic and overseas. These companies manufacture and distribute Ethylene Oxide and Ethylene Glycol (EO & EG), Purified Terephthalic Acid (PTA), Polyethylene Terephthalate (PET), Polyester, Wool and other Fibers and Yarns.

2013 Financial Information

Net Sales	7,456 US\$ Million
Asset	5,761 US\$ Million
Total Shareholder Equity	1,876 US\$ Million
Sites	42
Market Capitalization	2,943 US\$ Million
Return on Equity	2%
Net Profit	43 US\$ Million
Core EBITDA	487 US\$ Million
Total Liabilities	2,885 US\$ Million



PET

3,753,800

Production capacity (tonnes)

2,896,989

Production volumes (tonnes)



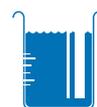
FIBERS AND YARNS

1,338,600

Production capacity (tonnes)

909,457

Production volumes (tonnes)



FEEDSTOCK

2,995,000

Production capacity (tonnes)

1,997,469

Production volumes (tonnes)

Products and Services

At USD 7.5 billion in revenues, IVL is the top polymers supplier in all relevant markets

Indorama Ventures comprises business groups representing coherent products including EO & EG, PTA, PET, Polyester, Wool and other Fibers and Yarns. All of our products are provided to customers as basic materials for their further processing to produce packaging for foods and beverages, home care products and health care products as well as other industrial and business use such as construction material, furniture, and sanitary ware. Our customers are located in North America, Africa, Europe and Asia. For reporting purposes, the activities are grouped into three clusters: PET, Fibers and Yarns and Feedstock.

PET

Polyethylene Terephthalate, or PET, is the main product of our largest operating unit. Combined, the PET and packaging business has 18 sites in 12 countries on four continents. The PET business segment primarily comprises the manufacture and sale of PET resin, a plastic polymer resin. A truly global PET player, IVL is the only PET producer with a presence in Europe, North America, Asia and Africa and market leadership in Europe and North America. We produce a variety of PET resins, including hot-fill, high and low intrinsic viscosity, quick heat and general grade, to serve a variety of markets including carbonated soft drinks, bottle water, other beverages, food and other applications.

IVL estimates that its total global market share for PET is approximately 14.5% by capacity. In North America and in Europe, the Company holds approximately 33% of each market by capacity.

Fibers and Yarns

The Fibers and Yarns business segment primarily comprises the manufacture and sale of Polyester, Polypropylene, Bi-component and Wool fibers and yarns. We manufacture a broad range of products serving both the commodity and non-commodity segments. As of today, the Company has 12 manufacturing sites in 9 countries on three major continents and is a global leader in the production of fibers and yarns.

Feedstock

The Feedstock segment comprises the Purified Terephthalic Acid (PTA) and Monoethylene Glycol (MEG) businesses. The raw material for PTA is Paraxylene (PX), which is part of the aromatics chain of petrochemicals, coming from naphtha and crude oil, while MEG comes from ethylene and natural gas.

PTA is an organic compound in the form of a colorless powder. It is a commodity chemical, used principally in the manufacture of Polyethylene Terephthalate (PET). Most PTA is consumed as a feedstock of PET, however there are a few small niche uses. MEG is an organic compound. In its pure form, it is an odorless, colorless, syrupy liquid. Its major end use is as antifreeze for automobile radiators, which accounts for over 50% of ethylene glycol's commercial uses, and as a raw material in the production of PET, which accounts for 40% of total ethylene glycol consumption globally. It is commonly used in other cooling systems too.

We emphasize health and safety procedures to ensure that our products and manufacturing processes have no or limited impact on employees and the local community. At every stage of the product's life cycle, we ensure that we assess the health and safety impacts to mitigate or eliminate risk to the extent possible.

We also proactively seek to assess any health or safety risk related to the products themselves, for instance ensuring that we comply with regulations governing the products themselves. In such cases, secure transportation of raw materials is a key concern and every effort is made to ensure that no serious accidents occur during their transportation. This is an area where the Company has achieved success over the long term.

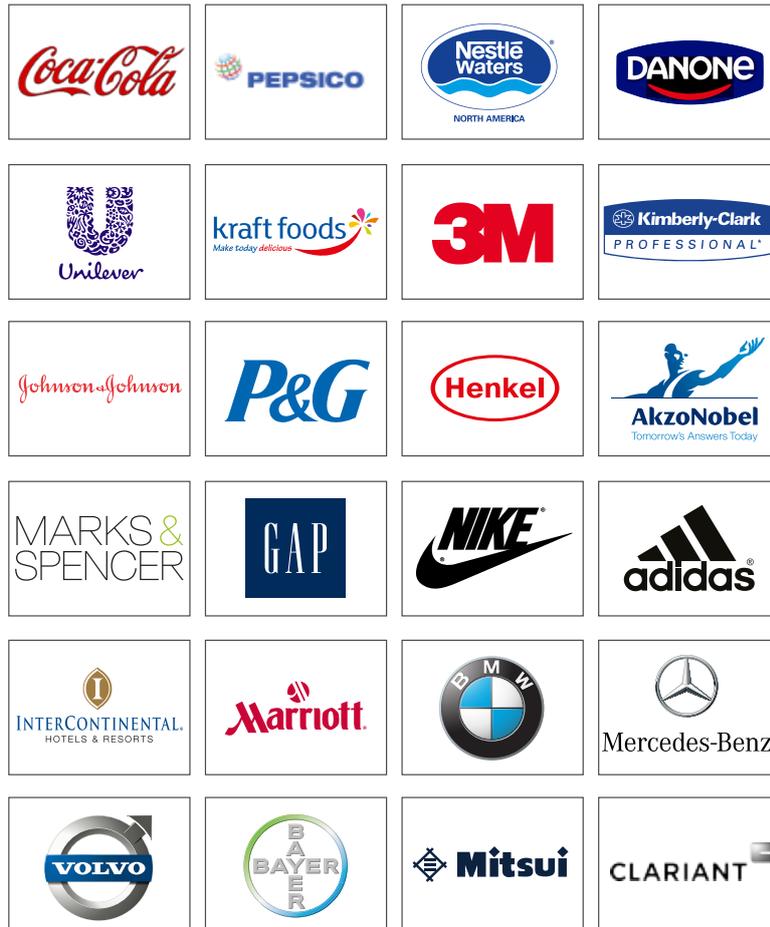
We also proactively seek certification of the quality of our end products. While our major customers are mainly in the food and beverage industry and therefore have strict requirements regarding the consistency of quality of our products, we have also applied ISO certification at many of our factories to ensure that health or safety issues do not compromise the quality of the products.

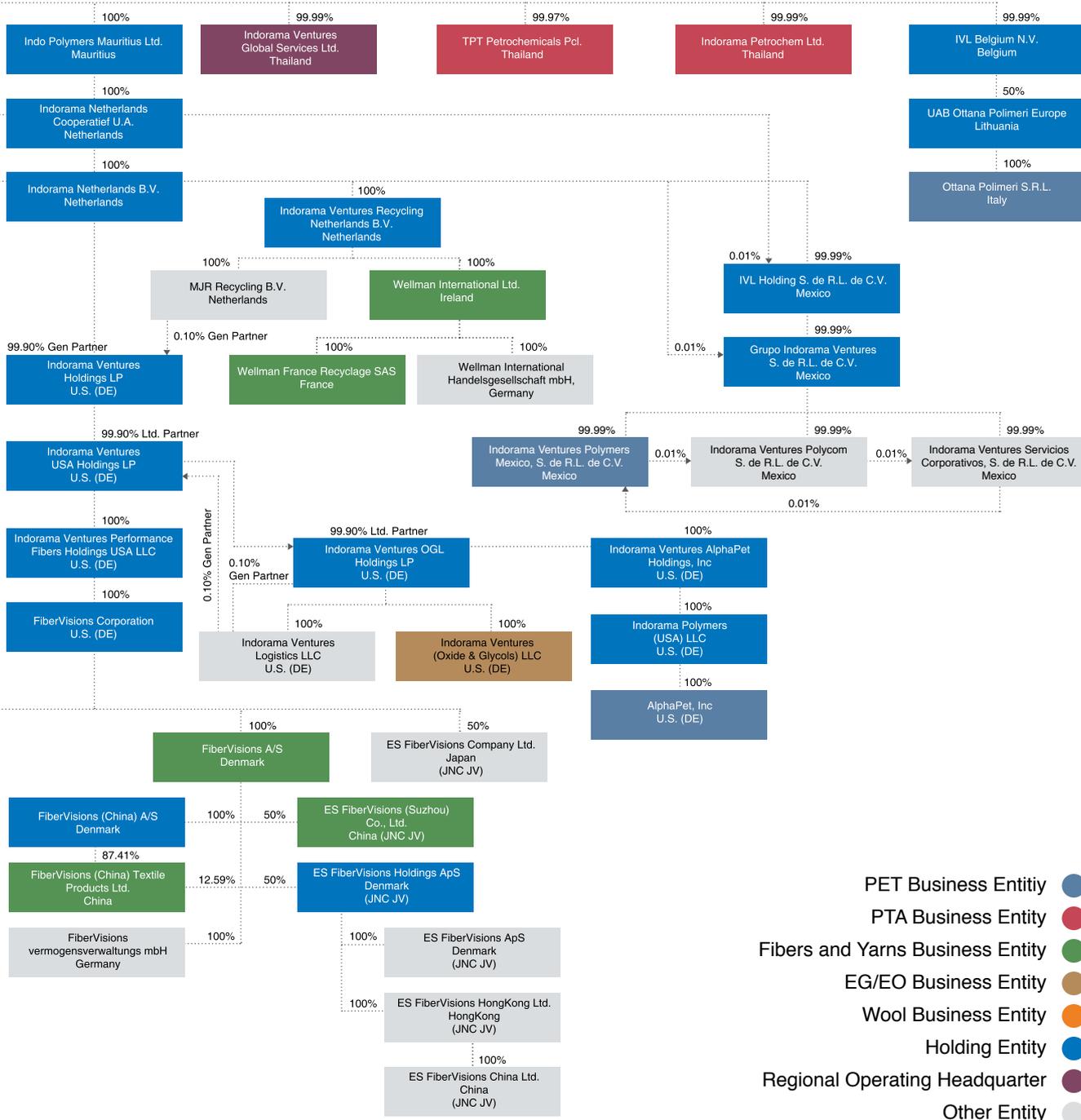
While promoting our products and services, we are aware that our marketing communications must achieve high standards of transparency and due diligence before publication or dissemination. The Company therefore ensures that any marketing communications materials are checked by experts in our business lines to ensure that we are providing completely factual and verifiable information that complies with the strictest guidelines of every market where we compete. We are careful to act responsibly in all our communications so as not to influence our audience with negative stereotypes regarding gender or according to age. Moreover, the Company has never had any incidents of non-compliance with regulations or official guidelines regarding any of our communications and concerning the provision and use of products and services.



PET is used mainly as a packaging material, typically for soft drinks and water bottles and boxes for foods like salads found in supermarkets, but increasingly it is used in home care packaging, e.g. liquid soap bottles and personal care, such as for shampoo bottles and the clear packaging used for pharmaceuticals. More recently, PET has been used as the film that covers solar panels.

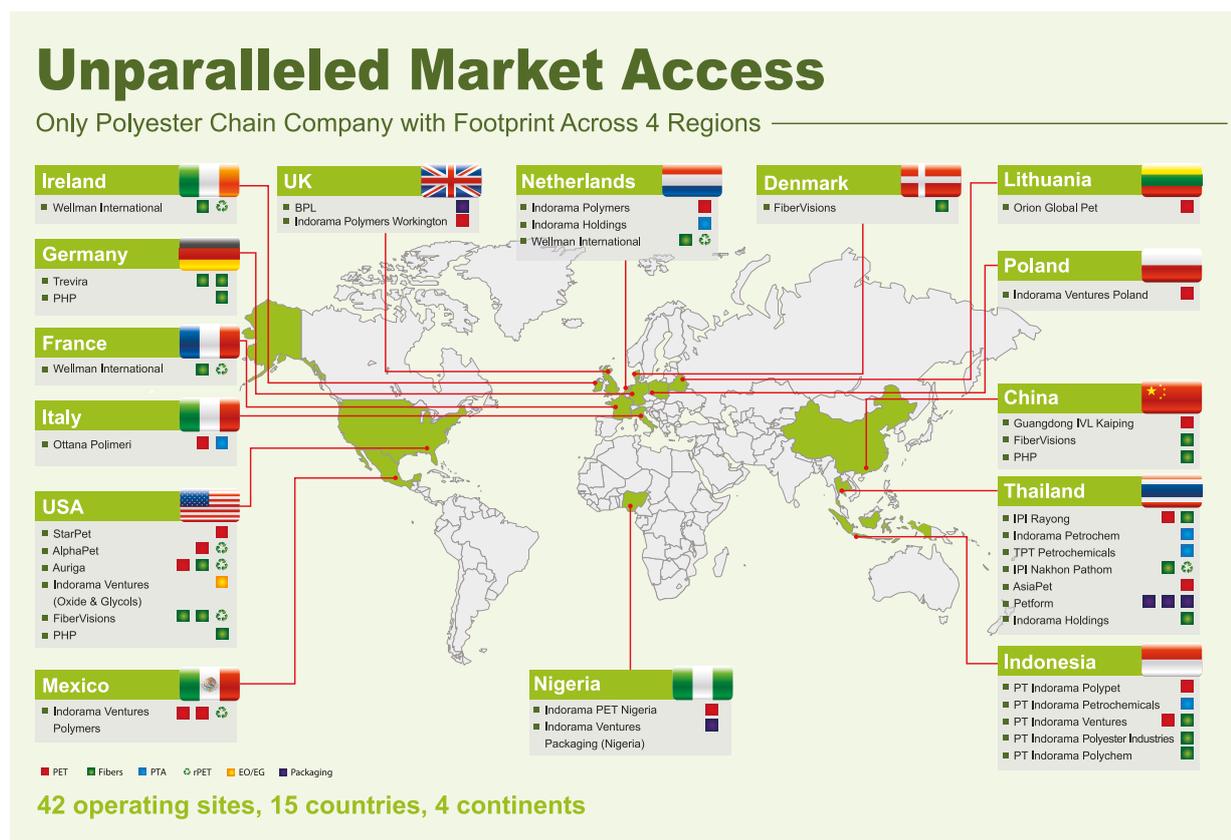
Our World-Class Customers





- PET Business Entity ●
- PTA Business Entity ●
- Fibers and Yarns Business Entity ●
- EG/EO Business Entity ●
- Wool Business Entity ●
- Holding Entity ●
- Regional Operating Headquarter ●
- Other Entity ●

Locations of Operating Sites



All of our 42 operating sites are located in designated industrial areas or zones that are not adjacent to any protected area or areas of high biodiversity value and thus we do not have any direct impact on the areas.

2013 Key Events

February 2013

- 100% acquisition of a packaging company in Nigeria, Africa, producer of PET Preforms. This acquisition allowed a forward integration for the PET segment which set up a PET bottle resin manufacturing unit in Nigeria and after completing all the closing formalities, took charge of the plant effective April 3, 2013.

POLYOLEFIN FIBERS are abrasion-, stain-, sunlight-, fire- and chemical-resistant and have the advantage of being colorfast. Olefin fibers can be multi- or monofilament and staple, tow, or film yarns. The fibers are colorless and round in cross section. This cross section can be modified for different end uses. The physical characteristics are its waxy feel and colorlessness.

May 2013

- The Board of Directors approved the formation of 50:50 Joint Venture Company with a global producer of non-woven fibers to set up a 14,500 tonnes per annum Bicomponent Fiber Plant at IPI in Rayong, Thailand. The plant is expected to be operational in Q2, 2015.
- The Board also approved to expand the current Bicomponent Fiber capacity by 10,800 Mts. at Covington, Georgia USA, a unit of wholly-owned FiberVisions Manufacturing Company and is expected to be completed by Q4, 2014.

October 2013

- Establishment of Indorama Ventures Packaging (Philippines) corporation to start a new packaging business in the Philippines.

November 2013

- Announcement of moth-balling of Indorama Polymers Workington Ltd. PET plant in the UK as part of its business improvement plan and the restructuring strategy of our European businesses.

December 2013

- Signing of a Joint Venture Agreement for Aromatics production of Abu Dhabi to develop the Tacaamol Aromatics Plant on Madeenat ChemaWEyaat Al Gharbia's (MCAG) site in the Western Region of Abu Dhabi. The plant is expected to have an annual capacity of about 1.4 Mts. of Paraxylene and 0.5 Mts. of Benzene.

Growth Strategy

Indorama Ventures' business is developed around the future sustainability challenges of the world such as depleting natural resources and potentially changing climates could have an impact on people and business, both physically and financially, in the form of increasing natural disasters, pollution caps and higher natural resource prices. On the other hand, growing populations will increase the demand for goods which means more opportunity for business.

Recycling for Sustainable Future Growth Largest PET Waste Recycler in Europe



Current and planned sustainability initiatives globally

IVL believes the future lies in higher more environmentally-friendly consumption driven through increasing customer awareness, increase use environmental taxes and other economic instruments to mitigate against future environmental challenges. Therefore, we have organized our business to address those challenges and capture opportunities by having a recycling business to reduce overall virgin material consumption and high value-added products (HVA) to produce specialized material to meet our customers' specific needs along with other businesses.

In 2014, we expect to achieve volume growth of 700,000 tonnes, from 5.8 million tonnes to 6.5 million tonnes, or 12% from 2013. This will be driven by driven by full operations at our MEG plant in Texas after the catalyst change completed in 2Q13; the startup of our Polychem (CP-4) fiber greenfield plant in Indonesia in February 2014; the ramp up of our Nigeria plant's utilization after packaging expansions in Ghana and higher utilization rates of existing assets.

We expect PTA margin improvement following lower PX prices and new PX supplies while PET and our commodity fibers will see a more stable environment. MEG margins will see improvement driven by low cost US ethylene and global MEG tightness while our High Value-Add (HVA) products should see a steady margin environment.

In 2014, our operating excellence projects and higher volumes will deliver total cost reduction of approximately USD 5 per tonne, a total of around USD 30 million for the year.

Savings on taxes will commence as we have now formed a Regional Operating Headquarters (ROH) in Thailand to take advantage of a lower tax structure.

Over the next five years, IVL expects the majority of our growth will come from HVA, including Recycling, Fibers, Polymers and Films and other segments. This will allow IVL to sustain our business while helping the environment and society address sustainability challenges in the near future.

The Future is Polyester!

New Applications Every Day - Everywhere

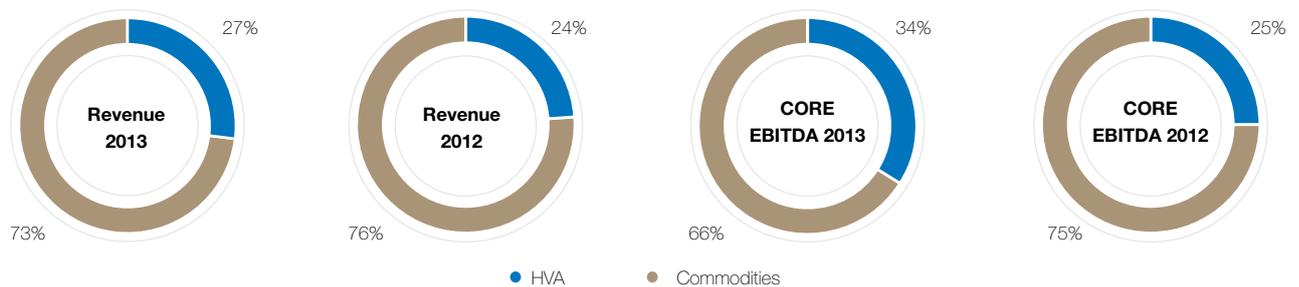
Polyester is a category of plastic which surrounds us, from soft drink bottles to vehicle parts. One of the most common forms of polyester is PET (Polyethylene Terephthalate), which is widely known as a material for soft drink bottles. Polyester has outstanding properties such as durability, resistance to most chemicals, the ability to mold into many forms and is easily washed and dried.

In addition, innovation in the field of polyester generates new kinds of plastic with special properties that are included in products such as Coca Cola's PlantBottle™, Nike's Flyknit™ Shoes, PepsiCo's Tropicana® containers, LG's Flexible Display, Ford Focus's All Electric vehicles and Samsung's Smart TV.

The special properties of these polyesters includes bio-based plastic, enhanced recyclability and glass-like PET to address the future of scarce natural resources, highly competitive markets and the increasing world population. IVL believes polyester is one of the keys to the sustainable world in the future.



The revenue from HVA accounts for 27% of the business. It represented USD 2,105 million in 2013, 3% growth from 2012, while the EBITDA is significantly increasing from 25% in 2012 to 34% in 2013.



Sustainability Management

IVL's sustainability governance is led by its Global Sustainability Committee as the highest governance body, consisting of executives and senior officers from the Corporate Office. The Committee oversees the creation and communication of its Sustainability Policy and Framework, monitoring the Company's CSR program and performance. Committee members meet informally as often as required to review CSR projects, bring up issues of concern, propose solutions and plan future initiatives. The Committee meets formally every quarter with Director and Chairperson of the Sustainability Committee, Mrs. Suchitra Lohia, to provide regular updates on CSR performance. In 2013, there were four meetings, of which the significant agenda items included defining the main goals and working process for the coming year, update of information and review of quarterly CSR activities, planning and approval of the Company's Sustainability Report.

OUR WOOL BUSINESS is a niche market that comprises the development, production and sales of worsted wool yarns and wool tops. Worsted wool yarn is a high quality wool product, used mostly in high-value retail textile applications such as quality woven apparel and knitwear, premium bedding and other interior textile products.

IVL has set up a Sustainability Policy and Framework known as the Seven Pillars for Sustainability in addition to the current policies that include anti-bribery and corruption, health, safety and environment policies. Each business office or plant is responsible for the creation of activities for its employees and community in line with the Framework. Local working groups are set up to coordinate activities with employees, communities and local authorities. All activities are monitored locally for effectiveness and feedback and reported to the Global Sustainability Committee on a monthly basis.



Details of the implementation of the Seven Pillars and other relevant policies are described in the following chapters.

Good Corporate Governance and Ethics

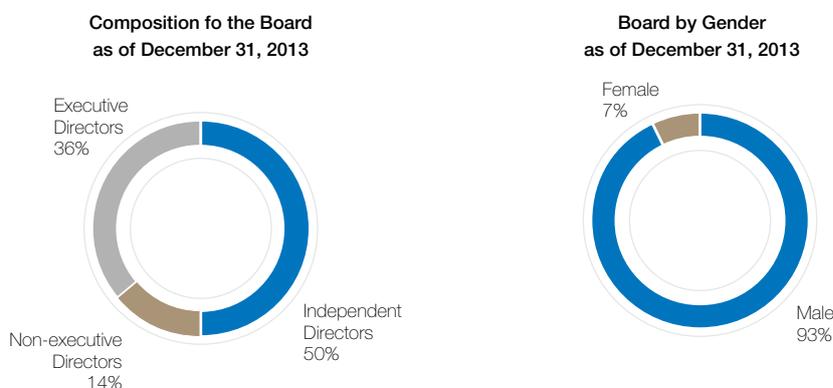
We believe in effective and transparent corporate governance and proper enterprise risk management, to ensure ethical conduct and regulatory compliance, in delivering business benefits and sustainability through our organization

Board of Directors

Our Board of Directors is chaired by a Non-Executive Director, and comprised five Executive Directors, two Non-Executive Directors and seven Independent Directors. This is to ensure adequate checks and balances.

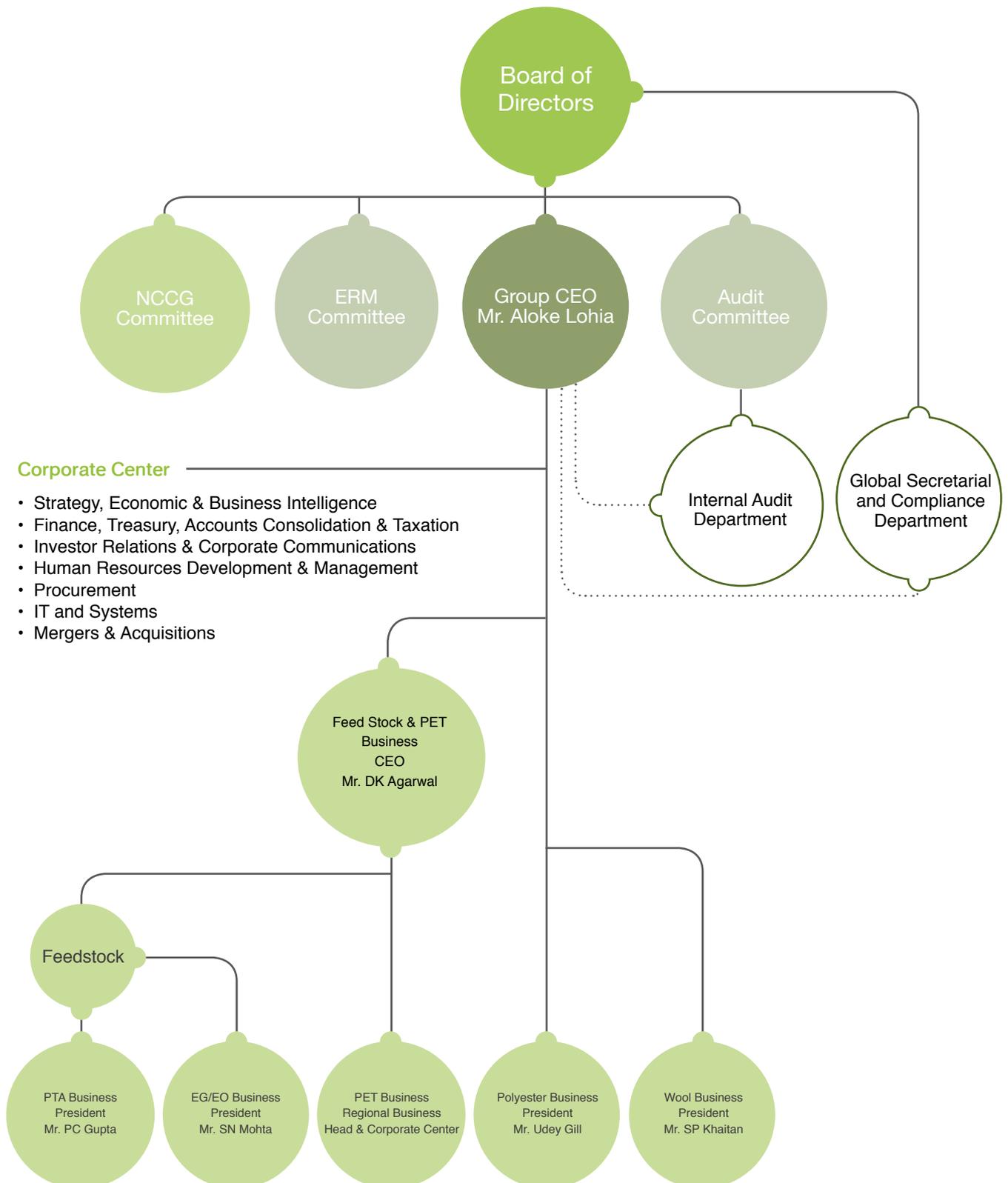
At IVL, we encourage diversity of nationalities, genders, ages and skills, which is important to support us as a global company. Of all 14 members of the Board, 13 members are male, and one member is female.

	Independent Directors	Non-Executive Directors	Executive Directors
Male	7	2	4
Female	-	-	1



The Board structure is appropriate in relation to the size of the Company. The number of Executive, Non-Executive and Independent Directors, with suitable qualifications, knowledge and expertise, provides a fair balance of power for effective management. The Company will continue to maintain this balance of knowledge and experience when considering new Directors.

Management Structure Indorama Ventures Public Company Limited



Shareholders and employees can provide recommendations to the Board via an email address, independentdirectors@indorama.net given on the Company website at www.indoramaventures.com which will direct all inquiries and suggestions to the Board. For shareholders, it is optional to contact the Investor Relations Department or the Company Secretary.

Succession Planning

The NCCG Committee has put into place a Succession Plan for the Group CEO and Key Management team in consultation with the Board. For all other employees the Global HR department works with Line management to create Succession Plans. To ensure that the plans are effective, the Global HR implements employee development and training and also implements a fast track process for those it believes have high potential.

Nomination, Compensation and Corporate Governance Committee

The Board of Directors complies with regulations including those of the SET/SEC and those prescribed by the Company's Articles of Association. The Directors are to be knowledgeable in the Company's business and provide adequate time and inputs to the benefit of the Company along with acting honestly, with integrity and high morals.

Nominations of Independent Directors are the responsibility of the Nomination, Compensation and Corporate Governance Committee (NCCG Committee). The NCCG Committee will consider the appropriate mix of skills, education, experiences, independence and knowledge, ensuring broad diversity to match with the Company's requirements, as per the nomination policy and criteria stated in the NCCG Charter, including potential contribution to the Company in relation to economic, environmental and social concerns. The minimum Director qualifications are provided in the Board of Directors Charter.

The NCCG Committee members are nominated to the position, and will serve a two-year term. The term of the current NCCG Committee consisting of Mr. William Ellwood Heinecke as Chairman, Mr. Alope Lohia, Dr. Siri Ganjarerndee and Mr. Kanit Si expires on May 12, 2014. Other than Mr. Alope Lohia, all other members are Independent Directors.

The Committee also assists the Board in developing and evaluating potential candidates for executive positions, including the Chief Executive Officer position, and to oversee executive succession plans.

Self-evaluation on the performance of the Board and subcommittee members, with respect to economic, environmental, and social performance, for the year 2013 were carried out, and the results were summarized and informed to the Board meeting held in February 2014. The Chairman of the Board through the NCCG Committee does an individual assessment of all Directors. Board compensation is then recommended by the NCCG Committee. The Group CEO and other executive Directors have their Key Performance Indicators (KPI) set by the Board on the recommendation of the NCCG committee. This takes the form of a Balanced Scorecard. At the end of each year, their performance against the KPI and organization performance will be referenced in calculating their compensation by the NCCG Committee.

For Senior Executives, the NCCG Committee reviews and approves on an annual basis, the evaluation process and compensation structure based on company performance, including social and environmental performance, and assigns, the Human Resources department to coordinate with the preparation of the annual compensation, including salary, bonus and non-equity incentive compensation. Similarly, the line managers will follow the same principles when evaluating their staff.

Audit Committee

The Audit Committee consists of three members with Mr. Rathian Srimongkol as Chairman, and Mr. Chakramon Phasukavanich and Mr. Maris Samaram as members. All members are Independent Directors and have the requisite experience and knowledge to review financial statements.

The Chairman of the Audit Committee reports on the Audit Committee's activities to the Board, immediately following the Audit Committee meetings. Between the meetings, the Committee reviews emerging issues with the management team, Secretary of Audit Committee, Chief of Internal Audit and with statutory auditors. The minutes of the Audit Committee meeting, form part of the Board papers every quarter.

A Board of Directors Charter has been issued to ensure conflicts of interest are avoided. The Audit Committee will be in charge of auditing any conflict of interest behavior.

Enterprise Risk Management Committee

The Board of Directors of the Company formed the Enterprise Risk Management Committee (ERM Committee) to identify and manage the organization's economic, environmental and social performance including relevant risks and opportunities. The issued policies are in compliance with internationally agreed standards of behavior by all employees. The Committee comprises of five members, including two Independent Directors. The ERM Committee is chaired by Mr. Alope Lohia, the Group CEO and Vice-Chairman of the Board. Other members of the Committee are Mr. Rathian Srimongkol, Independent Director, Vice-Chairman of the Board and Chairman of the Audit Committee, Mr. Maris Samaram, Independent Director and Member of the Audit Committee, Mr. Dilip Kumar Agarwal, CEO of PET, PTA and EG/EO Businesses and Mr. Udey Paul Singh Gill, President of the Fibers and Yarns Business.



The main objectives of Enterprise Risk Management are:

- To embed a prudent 'risk culture' throughout the organization, to oversee overall risk management to ensure compliance with all applicable laws and regulations of each market where it operates and takes precautions prior to entering into business;
- To improve greater transparency and foresight into risk management across the organization, to ensure steady progress towards the organizational goal, to remain resilient and responsive to challenges and opportunities; and
- To identify and evaluate the impact of significant business risks (including economic downturn) on the organization and to mitigate the same by adapting appropriate strategies.

Emergency Preparedness and Response Plan

IVL operations deemed to be of risk have an emergency preparedness and response plan in place, as part of OHSAS 18001 Occupational Health and Safety Management System. The company has OHSAS 18001 certification at IPI Rayong and IPI Nakhon Pathom, in both the fiber and PET facilities, TPT and IRPL in Thailand. Orion Global Pet in Lithuania and Wellman International in Europe are also OHSAS 18001 qualified.

Ethical Conduct

IVL has written policies on corruption and bribery, labor rights, confidentiality of information, business ethics practices, insider trading/dealing, security of staff, business partners, customers, environment, health and safety and whistleblowing.

The Code of Conduct is a brief document that covers various aspects of the Company's policies. Definitive policies have been written and distributed. The Code of Conduct for Employees covers ethics and values, discipline, honesty, confidentiality, protection of company property, disciplinary action, conflicts of interest, related party transactions and insider trading.

The above policies and Code of Conduct for directors and employees can be found on the Company's website. Mission statements and values are found on the website and incorporated into the annual report each year.

The Company has in place internal procedures for reporting unethical practices/corruption. If anyone becomes aware of any issue or practice involving a potential or actual violation of this policy, they are required to report the matter immediately to one of the following - their line manager or the Whistleblower Committee or the Corporate Compliance Department or by email to ethics@indorama.net. Anyone making a report via any of these channels will be kept anonymous.

Any employee who becomes involved in bribery and corruption or who misleads or hinders investigators inquiring into bribery and corruption is subject to local laws and regulations and any action considered by the Company will follow that permitted under local law.

A disclosure may be reported anonymously to the Whistleblower Committee through any of the following channels:

Email: ethics@indorama.net

Letter: A written disclosure may be sent to:

The Corporate Governance Section

c/o Mr. Richard Jones

Indorama Ventures PCL.

75/102 Ocean Tower 2, 28th Fl., Soi Sukhumvit 19, Asoke Road,

Klongtoey Nua, Wattana,

Bangkok 10110, Thailand.

A Protected Disclosure may also be made to an immediate line manager (in cases where there is no potential conflict of interest). In such cases the line manager shall address the report to the Whistleblower Committee by taking appropriate care to conceal the identity of the Whistleblower.

Protected Disclosures should preferably be reported via email or in writing in English. If written in a local language, it will be translated into English for further investigation

We endorse a Human Rights Policy that follows the principles laid down in the Universal Declaration of Human Rights and its two corresponding covenants, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social, and Cultural Rights.

Innovating for a Sustainable Future

Our current focus is to create a better life for people today and tomorrow by overcoming sustainability challenges through innovation.



Product innovation is important for the sustainability of IVL. It is seen as a way not only for customers to receive differentiated products that add value to their own businesses but to add value to the bottom line of the company. Suppliers will see that the company is able to purchase raw materials in increasing amounts and thus strengthen their own businesses in the long run.

IVL has grown quickly in the Polyester Value Chain but the products until recently have largely been commodities that were undifferentiated in the market. Innovation will allow us to differentiate our products to customers who are seeking a supplier with a broader offering. Innovation is also a barrier to entry and will provide us with a defense against newer players and the petrochemical cycle.

Innovation Council



IVL innovations are developed in response to unmet demand and to create new opportunities for customer to market materials that have a unique trait or one that is complementary to other materials used by customers.

In order to facilitate the setting of product development priorities and ensure collaboration among the Centers of Excellence, an Innovation Council was created with a membership formed from both technical and commercial representatives of steering committees.

The Innovation Council for PET Polymers is the Group CEO, Mr. Alope Lohia or his designated representative; for Fibers the chairman is President of the Fibers and Yarns Division Mr. Udey Gill or his designated representative.



The purpose of the Innovation Council is to take advantage of knowledge and capabilities that exist at each of the business units and combine them so that synergies can be developed and exploited to provide IVL with a sustainable competitive advantage. Also, by facilitating communication and transparency among the individual business site R&D capabilities, unnecessary duplication of effort can be eliminated which in turn create the proper environment to increase knowledge sharing, increase the speed of new product development efforts, and increase the overall probability of success in new product launches.

The Innovation Council meets on a (targeted) quarterly basis to review project proposals, ideas on new technology platforms, unmet customer needs and requirements on a global basis, and for setting priorities for the work efforts of the various Centers of Excellence. The Council also reviews progress on major programs as well as review problems and issues, develops solutions and allocates resources, as required, to remove or mitigate issues and roadblocks.

Product Development Process

Product ideas need to pass several checks and balances, by the Innovation Council before being approved for production.

Through development of technology platforms, there can emerge sustainable, differentiated, products. Innovations can help develop barriers to entry for competition balancing competitive barriers and costs. Moreover, the company could develop coordinated long-term partnerships with key end customers to increase chances of success and speed time to commercialization.

The individual business site R&D capabilities are organized into Centers of Excellence (CoE) covering major areas of technical competence important to the growing global business. In order to facilitate effective communication among the global business unit R&D capabilities, a Knowledge Portal is used for the collection of pertinent knowledge and information.

The success of our product innovation can be determined by the number of new and innovative products we have in our pipeline – products which we are in the various stages of development through to pre-commercialization are:

IVL Innovation Success Examples



OxyClear

Juice,Wine,Packaged Food



Polyshield

Beer Market



Polyclear EBM

Large containers, Multi-way Bottles



Ramapet FG

Film for Photovoltaic solar Modules

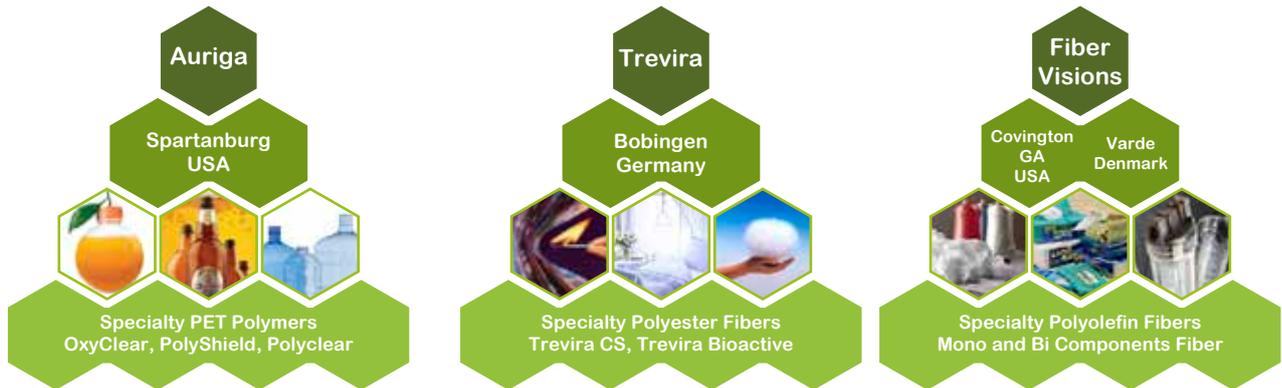
R&D Assets

At IVL, we deem R&D acquisition as one of the strategies to grow the business, particularly on new R&D assets. Acquisition of R&D targets allows the company to leapfrog the long development incumbent in a Greenfield process by owning innovations that usually would take several years to develop and meet with customer approvals.

To expand our R&D portfolio, in 2011-2012, we acquired two major centers of research and development in USA and Germany.

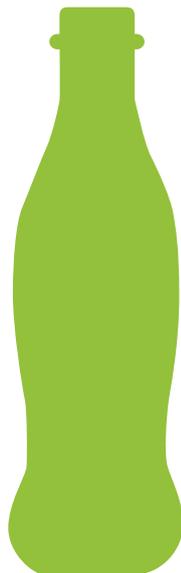
R&D Infrastructure	Location	Product	Asset Value (USD mm)	% Share
Trevira	Guben, Germany	Fibers	137	75%
Auriga	Spartanburg, USA	rPET	366	99%
Wellman	Mullagh, Ireland	rFibers, rPET	80	100%
FiberVisions	Covington, USA	Fibers	306	100%
Indorama Polyester Industries Nakhon Pathom	Nakhon Pathom, Thailand	rFibers	88	99%
Indorama Polyester Industries Rayong	Rayong, Thailand	BICO	345	99%

Strong R&D Platform for New Product Development and Process Innovation



High-growth, High-margin portfolio delivering its potential

We currently have 125 R&D personnel. Our R&D facilities in the USA focus on polymers products while our R&D facilities in Germany focus on filaments and fibers products. As of 31 December 2013, IVL have several patents for our products and they are applicable in three regions where our operating sites exist. We have 26 patents in Asia, 96 patents in US, and 30 patents in Europe.



Case Study: PlantBottle™

The bio-PET resin produced by Indorama Ventures addresses social and environmental concerns and has become a business opportunity for the company. The development of a polymer resin that utilizes a derivative of plant material as a component is a much sought-after packaging resin. The normal feedstock components of PET resin are Purified Terephthalic Acid (PTA) and Mono Ethylene Glycol (MEG). Both are derivatives of the oil and gas chain. However, Indorama Ventures was able to substitute MEG, typically made from a naphtha or gas origin, and with one made from ethanol derived from sugarcane. The resin is now being used by Coca Cola to make their PlantBottle™ containers.

Customer-centric Relationship Management

We not only provide the highest quality products to our customers but also strive to provide them with the solutions to their sustainability challenges in a cost effective manner.



We value the customer at every level of the company and have made customer satisfaction one of the goals of the company that is also reflected in our mission statement, whereby we focus our activities to achieve customer delight and loyalty for a long-lasting relationship.

Our customers can be grouped by product division, like PET, Feedstock, Fibers and Yarns. We look at customers according to sales footprint, from local to regional and global. While we strive to provide all customers – whatever their size or location – with a complete and high level of service, there are also inherent challenges when supplying regional and global customers. At present, we are also looking at customers from a perspective of the breadth of the portfolio they require, which more than ever includes high value-added or specialty materials.

To meet customer demands, our business needs to be aligned and integrated throughout the organization. We intend to improve our corporate strategy marketing process that involves all product division. In addition, in order to fully satisfy our customer, customer shall be engaged in a regular basis in order to get their feedback and see room for improvement so that we can anticipate what the customer considers to be a sustainability issue for the company.



Voice of Customers

IVL employees at all levels are in constant contact with customers. However, the sales and marketing department of each product that is responsible for ensuring customer engagement must understand their needs and obtain useful feedback on our products and services. As part of our customer engagement process, complaints from customers are received by our customer sales representatives. These complaints are then passed to their supervisors and management team for further consideration, advice and most appropriate response. Management will then make a decision to solve the issue employing short, medium and long term initiatives.

In addition, feedback on customer's satisfaction related to our products and services are acquired through customer engagement. Customer satisfaction at IVL is measured via several methods. Increased and repeat orders are noted but it is the relationship via direct contact that is valued most. Our sales executives are tasked with developing relationships with customers and responding to their needs directly. Senior executives make a point of visiting key accounts regularly in order to gauge satisfaction.

In a business largely driven by market pricing, customer satisfaction may be measured via repeat orders over the long term. As utilization rates continue to remain high and are expected to rise even more in 2014, repeat or larger orders are seen as reflecting the satisfaction of the client with our goods and services.

In year 2013, PTA Marketing Department conducted a Customer Feedback Programme to understand as to what customers felt during the purchase of PTA in 2013 from the two PTA Production sites that IVL has in Thailand viz., Indorama Petrochem Ltd. (IRPL) and TPT Petrochemicals (TPT).

All the 7 domestic customers were chosen and the top 12 overseas customers were chosen for the survey. As many as 5 overseas customers had bought material from both the sites; hence were chosen in both the respective surveys. In all, the survey covered 85% of the product supplied from IRPL and 100% for TPT.

The survey required the customers to provide their feedback on 4 broad parameters namely, Product Quality, Logistics, Delivery Document and Sales & Marketing.

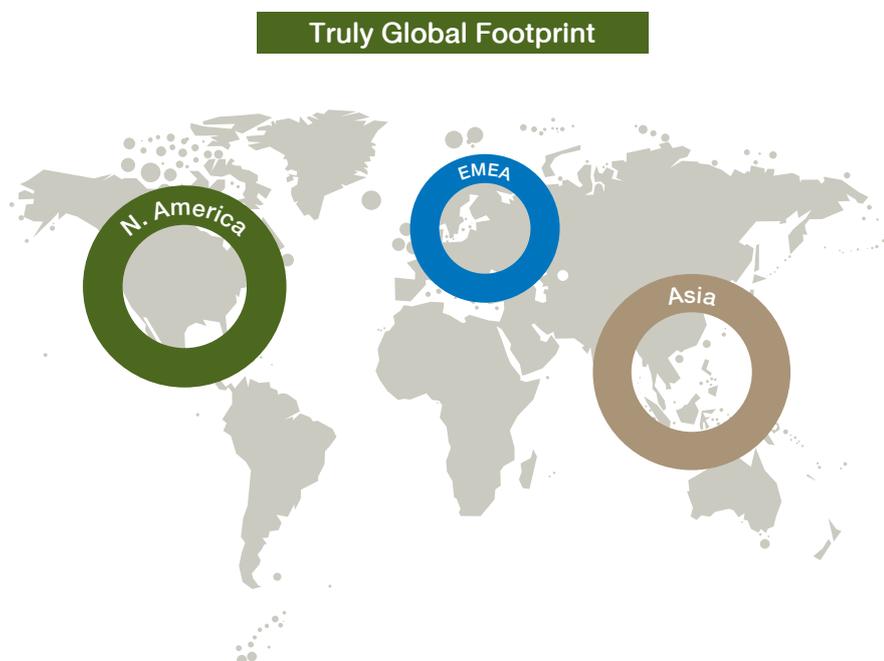
The combined results for the Customer Satisfaction Index were very encouraging as under:

Year	Product Quality	Logistics	Delivery Document	Sales & Mkg Service
2013	85%	86%	91%	84%
2012	78%	82%	90%	81%

From 2015, we anticipate seeking feedback for our selected product from customers through the Customer Feedback Programme. The rating from customers will be reviewed each year for continuous improvement of our products and services. There will be a constant endeavour on the part of all concerned to continuously strive for excellence and for the maximum Customer Satisfaction.

Unique Position of IVL for our Customers

One of the major strategies of the company for optimal customer satisfaction is geographic diversity. The size and distribution of our assets provides the Company with economies of scale in most of the major regions of the world - Asia, Europe, North America and Africa. The global locations, several of which are integrated with our feedstock, allow us to provide fast and efficient service that is designed to minimize cost to the customer and the company. "One contract, global delivery" sums up our philosophy of on-the-spot capacities on a global level.



Many of our branded global customers are in the fast moving consumer goods industry, located in emerging market. They are selling products whose price is often held at a constant level over many years. To create economies of scale that will generate increasing profits, they must sell in ever-growing volumes and thus are always entering new markets with sales potential. In order to gain access to these emerging markets, our marketing strategy is to be in partnership with customers and this entails global service under all conditions.

Case Study: New market - Nigeria

When we learned that Nigeria in West Africa is a fast-growing market for our customers, and perhaps one of the fastest-growing in the whole of Africa, we took the decision to support customers in this new market by setting up a small PET production plant, following up later with the acquisition of a small PET bottle manufacturing plant nearby. It is only by following our customers into the markets that they identify as potential growth regions that Indorama Ventures can create its own sustainability.

Our Customers Sustainability Challenges

There will be an increasing call from consumers for environmentally-sustainable products. This may include proportionally larger amounts of recycled materials. We believe that customers want to be assured that their suppliers are also using sustainable supply chain management systems. The challenge for plastics made from natural matter is that it must not impact the food chain by taking up land that is normally required for food production. Please refer to Chapter 7.1 Recycling, and 7.2 Waste Reduction.

Case Study: Extrusion Blow-molded Plastics

One of the challenges facing the marketing departments of our customers is how to make their packaging stand out on the shelf in order to attract consumers. Large containers made from glass are too heavy, and aluminum too impractical, for many customers to consider and the norm has been that PET is not strong enough to support large jugs. Large containers made from PET have usually required a bolt-on or attached handle of some kind to make carrying a large jug or bottle convenient. Indorama Ventures was up for this challenge and developed a new formula of PET resin that is more suitable for extrusion blow-molding (EBM) large containers, providing strength and stiffness yet the transparency required by marketing people to show the freshness of a fruit juice and the sustainability of a PET product that can still be included in the recycling stream.

Today, PepsiCo uses our EBM resin to make their award-winning Tropicana™ fruit juice containers.



Safe and Clean Operations

Health and safety is one of our business priorities. Our goal is to ensure that everyone who comes to work in or lives near our premises stays safe and healthy.



IVL commits to provide safe and healthy workplaces for our employees because it is our responsibility as the employer and improving morale of our employees to perform their work. It also helps reduce the cost associated with lost time injuries and damaged properties as well.

IVL has Hygiene and Safety Policy (EHS Policy) at the Group level to govern all health- and safety-related activities. To implement EHS management, a Site Hygiene and Safety Officer (SHSO) is assigned at all subsidiaries. The SHSO will be responsible to evaluate EHS performance at its facilities. They will examine the implementation our EHS management programme, conduct audit of Safety Directives on a regular basis, and oversee control of contractors in respect to hygiene and safety. The plant head will also ensure that each employee has access to the Policy, whereas each employee will be given a copy of the general policy during the commencement of their employment. Each company has an orientation for new staff on policies, including health and safety.

Our EHS policy extends to our products and at eliminating any hygiene or environmental impact on our customers. We have quality control laboratories at all sites and these check the products continuously to identify any imperfection or contamination. The implementation and continual improvement of safety and hygiene management can be driven through communication with employees, contractors and other stakeholders, through educating, training, and equipping employees to ensure they are empowered to avoid unsafe situation. IVL also influences the training and education of contractors, suppliers and the community in the same topic.

Health and Safety Management System and Risk Assessments

All key operations of IVL have occupational health and safety management system OHSAS 18001 certifications in place. IVL adhere to the ISO 14001 environmental standard and evaluates environmental performance regularly. To date, 20 sites have become ISO 14001 certified.

In addition, IVL requires all sites to conduct health and safety risk assessment to identify areas where operational procedures or other control are required or shall be reviewed. The risk assessment is reviewed regularly, at the least annually, by sites. It will also be reviewed when there are changes in the operations that could affect the risk profile, such as the installation of new equipment, new work systems or when the business changes premises.

The results of the risk assessments will be reported to the Corporate Communications Department and a summary result report will be included in the corporate sustainability report. For continual improvement, the results of the risk assessment will assist the Company in adjusting any safety procedures produced and implemented to ensure adequate levels of hygiene, safety, and welfare.

Implementation of occupational health and safety management system in Thailand

Six of 10 operations in Thailand have occupational health and safety management system in accordance with OHSAS 18001 certified by an external party, accounting for 60% of our operations in Thailand. The other non-certified sites are operations with minimal health and safety risks, such as office buildings or are in the process of implementing the system.

Our operations also have health, safety and work environment committees in place. At least 40% of the committee's members are employee representatives. The committees have monthly meetings to monitor occupational health, safety and work environment performance, accident investigation and follow-up corrective actions.

For the Company to be at the forefront of accident prevention in the industry, in addition to the H&S Management System, each facility may implement separate safety program to provide and maintain a safe and hygienic working environment and to provide adequate control of the hygiene and safety risks at the workplace.

Behavior-based Safety Program

Behavior-Based Safety (BBS) can be simply explained as changing people's behavior to improve safety performance. The BBS program has been implemented at TPT Rayong since November 2011.

The focus of the BBS in 2013 was on correct use of Eye Wear Protection (Target I); continuous Permit to Work Procedure compliance (Target II) and Wearing Safety Helmets using the Chin Strap Correctly in 2013 (Target III). The success of the BBS program at TPT Rayong can be demonstrated by a lower injury rate and the total recordable injury rate lowering from 0.70 in 2011 to 0.52 in 2013.



Monitoring Program

IVL has a monitoring program in place for the work health and safety environment. The monitoring parameters in the workplace include lighting, heat, noise, tidiness, chemical and other parameters as identified by risk assessment. Community environmental quality – where it relates to the health and safety of the community – is a monitoring program with parameters to measure air and noise quality against the environmental quality regulations.

Indorama Petrochem supported to the Mayor of Banchang Sub-district in organizing the municipality's project to adopt an Emergency Response Plan for communities in Banchang Sub-district area for the benefit of local villagers. The plant sent representatives to join activities organized by the Industrial Estate Authority of Thailand (IEAT) and all plants in the Asia Industrial Estate (AIE).

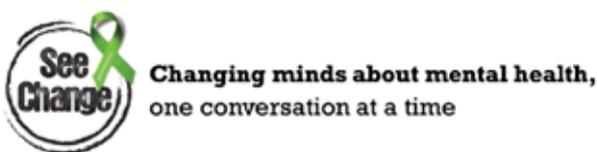


Employee Health Promotion

The health of our employee is our concern whether it is occupational health or general health issues because our employee is like a member of our family. IVL has health communication programs in all of our workplaces focusing on the prevention of diseases and health promotion.

IVL has an HIV-AIDS Policy in response to this serious disease. Our policy includes confidentiality and disclosure, non-discrimination, testing and education and awareness. All managers and supervisors have to be trained to communicate and ensure compliance with the policy.

Changing minds about mental health, also known as the “Green Ribbon” is a national awareness campaign in Ireland. Organized by “See Change” the campaign lasted throughout May with the aim of encouraging people to talk openly about mental health problems. The objective of the campaign is to make the month of May every year as symbolic in promoting open conversation about mental health and challenging the stigma of mental health problems. Just as the pink ribbon has become a powerful symbol for breast cancer awareness, this lime green ribbon has been established in the US and beyond as the international symbol for challenging the stigma of mental health problems.



Weight Loss for Health

Excess weight is the new health challenge for people nowadays. Having excess weight could have health-related implications in longer term.

Inorama Petrochem arranged a “Weight Loss Competition” starting 2011. Approximately four months later, 20 employees who had joined the campaign measured their total weight loss of 72.9 kg, an average loss of 3.64 kg per person.

TPT Petrochemical arranged the same competition from 2012 to 2013. The campaign lasted for four months and 28 and 23 employees joined the campaign in 2012 and 2013, respectively. Over the two years, the weight lost during the campaign was 47.2 kg in 2012 and 49.3 kg in 2013. This is 2.15% and 2.75% of the competitors’ body weight.



In 2013, TPT Petrochemical also initiated the TPT Cycling Club, inviting employees to ride bicycles to work and for exercise and to reduce weight.



Seven Pillars for Sustainability

Seven Pillars are the key areas covering environmental, social, and human resources aspects that ML commits to achieve the best practices not only to secure the sustainable future of the company and employees, but also to protect the environment and build a long-term relationship with the society.



1. Recycling

Recycling is a major sustainability issue for the plastic industry. As such, we make recycling one of the key factors in our business growth strategy that we can leverage in becoming a more sustainable company. In addition, we are promoting recycling activities to the public to raise awareness in the society and encourage fresh thinking and innovation with the use recycled products. Details of these activities are provided below.

We have made far-reaching investments in our recycling strategy. In 2009, we completed a PET resin facility in Alabama, USA and soon afterward we constructed a facility to create recycled resins for use in food and drink packaging. With the acquisition of Wellman International in 2011, Indorama Ventures became Europe's largest recycler of post-consumer plastic waste.

Our Recycling Business



IVL aims to grow its recycling business from 55 KMT in 2013 to 676 KMT by 2018 by setting up plants in Asia, Europe and further expansion in North America. We plan to capture more of the value chain by backward integration with wash lines and target 3% share of global rPET consumption by 2018. Indorama Ventures' current recycling capabilities cover North America, Europe, and Asia. Our Wellman International facilities have helped us further penetrate the postconsumer recycled PET business which most of the leading soft drinks companies believe is the driver for sustainability. Through Wellman, we also have the capability to recycle fibers for use in sportswear and household furnishing.

Performance

3.7%

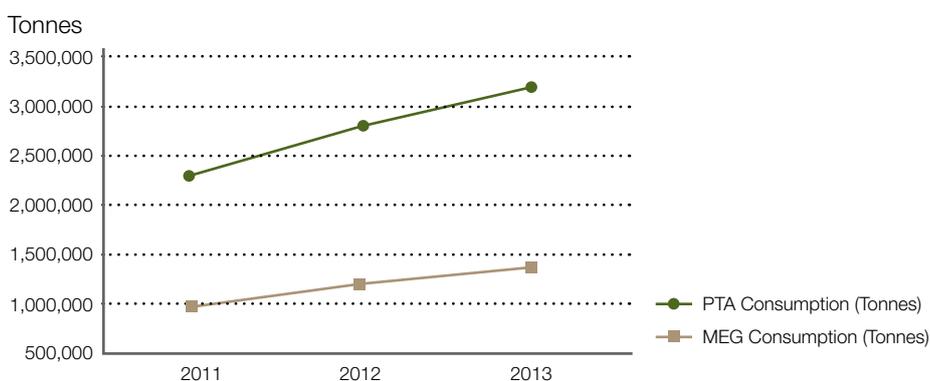
of revenue from recycling business

In 2013, recycled products represented 4% of our total downstream production and by 2018 we plan to increase this to 17%.

Total Material Consumption (Tonnes)

	2011	2012	2013	Trend
PTA Consumption	2,301,600	2,803,920	3,197,040	14.02%
MEG Consumption	986,400	1,201,680	1,370,160	

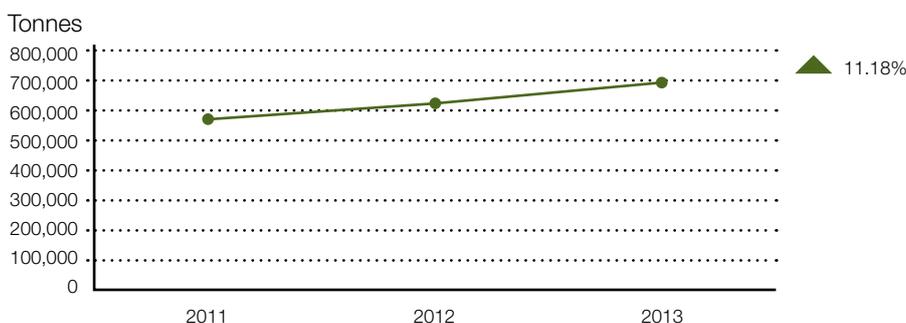
Note: The material consumption shown in this table is based on that used by the PET and Fiber businesses. Please note previous reports were based on consumptions from the PET business only.



In 2013, IVL increased material consumption by 14.02%, from 4,005,600 tonnes last year to 4,567,200 tonnes.

Total Recycled Input Material (Tonnes)

	2011	2012	2013	Trend
Recycled Input Material	583,690	633,962	704,827	11.18%



The amount of input material that was recycled at IVL sites increased 11.18% from 633,962 tonnes to 704,827 tonnes. This positive trend will continue and companies will be encouraged to recycle materials to the extent possible.

We are investing in innovation and commercialization of recycled resins to increase recycle content in products as well as meet the highest standards and certifications. In addition, we are continuously investing in process improvement in our recycling facilities such as reducing material and energy consumptions to further reduce our environmental footprint. As we rely on our networks to source and collect post-consumer plastic waste, we are also working with our networks to facilitate maximum supply chain efficiencies.

Case Study:

ECORAMA™ Recycled Yarn (certified Green Label by Thailand Environmental Institute) The Company recently (February 2014) completed construction of a recycling plant of 28,500 tonnes capacity per annum adjacent to its Indorama Polyesters Industry (PI) fiber plant in Nakhon Pathom Province, Thailand. Post-consumer plastic waste will be collected by third parties and converted into recycled fibers and yarns.

Promotion of Recycling Awareness in Society

Indorama Ventures holds an annual contest called RECO for young people to show their creativity. This competition calls for people to create fashion or other products from recycled PET and Polyester. The objective of the competition is to show people that what they believe to be waste in fact can have some economic value if used creatively.

The Company also has initiatives to enter communities and teach the economic value of recycling, in Bangkok and the provinces.



In 2014, IVL plans to review processes to determine if waste or intermediate waste can be reused in the process line to ascertain what proportion of total waste materials can be recycled. We will continue to determine if the quality of the product would be impacted by this recycling of waste. In certain cases, a pilot project may be implemented to test the viability of including waste or intermediate waste into the process. Should it be shown that waste and intermediate waste cannot be used in the manufacturing process, then we will determine if waste can be used for energy generation or resold as lower quality products to other customers.

Following these actions, we will proceed to identify technology that can be used to improve the recycling process.

2. Waste Reduction

Our waste reduction efforts extend beyond waste and effluents. We focus on refining every step of our process, from reducing raw material input to improving performance through operational eco-efficiency in order to produce more products with less natural resources and energy consumption.

IVL acknowledges the importance of waste reduction in terms of solid waste and inefficient energy use and aims to control this issue through our management system at each factory including ISO14001 with third-party certificates. For sites with no ISO 14001, the scope of our ISO 9001 covers management of environmental aspects that are significant to the business. For example, our Wellman plant in Spijk, the Netherlands, has been re-certified ISO 9001 and we are working on closing identified gaps for ISO 14001 certification in order to ensure the effective environmental management standards. Taking steps to certify our operations to international standards ensures that each asset operates in an environmentally responsible manner.

78%

of our global operations have
ISO 14001 or ISO 9001 in place

Waste Management

Waste reduction is one of IVL's seven pillars. We are committed to disposing of our waste in a responsible manner while ensuring compliance with local laws and regulations. IVL communicates its commitment to every operation within our operational control to apply a waste hierarchy to reduce, reuse and recycle the waste whenever possible. We have set our aspiration to achieve zero solid waste disposal.

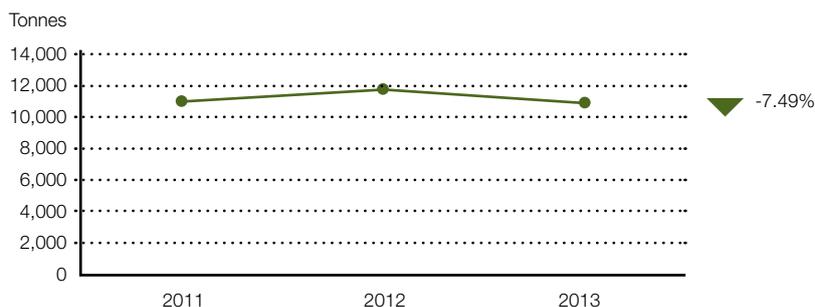
In order to reduce emissions, waste and effluent we have to know how much we produce and then set targets for reduction. In 2014, we will track the legal requirements at each site regarding emissions. We will measure and record our compliance status and set reduction targets in 2014. We will also develop a method to reduce Green House Gases (GHG) through specific initiatives. Specific targets will be considered in following years. Similarly, for effluents and solid waste, the Company intends to examine our compliance with legal requirements then draw up reduction initiatives commencing 2014 with specific targets to be set in the following years.

An example of this initiative includes FiberVisions in Varde, Denmark, where an initiative to reduce raw material consumption enabled us to reduce combustible waste to be less than 0.8 gram per kilogram of fiber.

During 2013, the total waste produced from IVL's operations was 76,777 tonnes of which 55% were recycled. The majority of waste was treated by landfill and incineration which were accounted for 27% of the generated waste. Through the various waste reduction initiatives, IVL was able to reduce a number of non-hazardous waste in 2013 as compared to previous year. IVL aims to maintain and improve the waste management system to reduce the amount of waste generated.

Hazardous Waste Generation (Tonnes)

	2011	2012	2013	Trend
Hazardous waste generation	10,975	11,782	10,899	-7.49%



IVL generated less hazardous waste in 2013. The amount of hazardous waste was reduced from 11,782 Tonnes to 10,899 Tonnes, a 7.49% decrease. This will be benchmarked to measure hazardous waste as a proportion to total volume of production per site.

Non-Hazardous Waste Generation (Tonnes)

	2011	2012	2013	Trend
Non-Hazardous waste generation	103,933	120,572	65,877	-45.36%



The amount of non-hazardous waste declined significantly in 2013, a 45.36% decrease from 120,572 Tons to 65,877 Tons, due to waste reduction initiatives which had been implemented at most sites in year 2013. The trend to decrease non-hazardous waste will continue positively in 2014.

In 2013, there was 101.6 tonnes of waste being transported internationally as hazardous material under the Basel Convention Annex from on site at Poland.

FiberVisions - Covington

Treatment alternatives for process wastewater was introduced with the objective of reducing the liability and costs associated with commingling cooling water with process wastewaters from spinning and processing. The company investigated off-site treatment of its process wastewaters as an alternative to using the City of Covington and its sewage treatment plant. The benefits to the company included avoidance of potential environmental liabilities and the cost savings associated with high Chemical Oxygen Demand in outgoing commingled wastewater. For stakeholders, there is now reduced risk of harm to the biological treatment system at the City of Covington treatment plant.

FiberVisions - Athens

The initiative named Control Biochemical Oxygen Demand (BOD) in Wastewater Effluent aims to reduce the liability and costs associated with surcharges for excessive BOD in wastewater. The initiative determines the BOD content in spin finish line and determines the best treatment options. The company benefits by avoiding potential environmental liabilities and has cost savings associated with high BOD wastewater. Stakeholders thus admire FiberVisions' reputation of being environmentally friendly.

FiberVisions - Varde

An initiative to reduce combustible waste to 0.8 g/kg fiber aims to reduce the company's raw material consumption or better exploit the company's raw materials. It is aimed at reducing combustible waste and thus save cost. Stakeholders will benefit from the reduction its waste.

Indorama Polyester Industries Rayong

IPI Rayong sought to reduce PTA/ EG slurry waste generation. PTA/EG slurry is used in making Polyester. It is the main raw material. The company's Quality Control (QC) division analyzes it for quality. During sampling we drain slurry for rinsing in the sampling pot and then sends a sample to QC. The drained slurry is now being recycled back into the process. We can now reduce waste generation by 30 tonnes per year resulting in savings of 138,000 THB per annum. Stakeholders will benefit because IPI will spend less on selling waste and will reduce pollution in Thailand.

Wellman Mullagh, Ireland

Wellman sets trigger limits on storm water emissions with the objective of providing a warning limit on storm water discharges. The project came about because a newly-issued Integrated Pollution Prevention & Control License in 2013 required the plant to set trigger levels on storm water discharges so that storm waters exceeding those limits could be diverted for retention and safe disposal. Storm water discharges are monitored on a monthly basis to ensure compliance with the trigger limits. The company benefits from Increased control on emissions for the site while stakeholders benefit from limits on the likelihood of uncontrolled releases to the environment.

Wellman has another initiative to renovate floors in its Spin Finish Mixing Area in order to improve the method of storing finish products. Racking was installed for storing full totes of finish and the floor and floor drains were renovated to ensure all spillages are contained within a foul drainage network. The company benefits from having more control on finish storage and usage while stakeholders benefit as it is less likely there will be spillages into the environment.

Energy and Climate Change

IVL's approach for energy consumption reduction is through energy efficiency improvements that not only benefit the Company financially due to the cost reduction, but also help to reduce the amount of greenhouse gas emissions (GHGs). IVL has taken various approaches for improving the greenhouse gas management system for monitoring and reporting GHG data and improving performance. Currently, there are six factories with ISO 50001 Energy Management Standards to continuous improve its energy efficiency.

Indorama Ventures will commit itself to introducing ISO 14064 (or an appropriate alternative method) for GHG Emissions Management at all sites that are currently uncertified, starting in 2015 and completing certification by 2018. Our goal is to be able to ensure we measure our GHG emissions and thus our carbon footprint.

We will set corporate energy reduction targets in future years after assessing our actual energy use in 2014, using the year as a baseline. The driver for energy reduction is to reduce energy costs to the company as a whole. In 2014, we can analyze our energy hotspots. Once we know the baseline, we will set an action plan for energy reduction.

In phase two, we will conduct a product LCA on our most significant products and to all products later. We can then conduct a review of the energy used to produce one tonne of product and examine how to improve the process to reduce energy consumption.

Case Study: GHG management initiatives

Our IRPL factory has established a greenhouse gas inventory in accordance with ISO 14064-1 and the GHG Protocol to measure greenhouse gas emissions which can be used for calculation and continuous monitoring during the year. The greenhouse management system in IRPL has been successfully recommended for verification by a 3rd party certification body since 2012. The result will be able to be used as input for carbon labelling in the future.

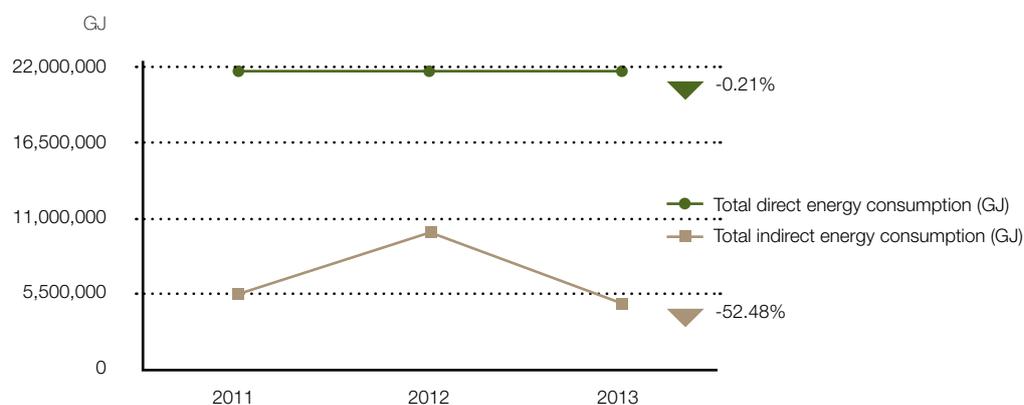
In 2013, IVL has energy efficiency initiatives across our facilities including:

- IVL Mexico has implemented energy reduction projects to reduce costs and greenhouse gas emissions. In 2013, Mexico saved 1,084 MM BTU from gas consumption and 1,615,127 KWh from electricity consumption.
- IRPL saved 765 MWh per year by removing the mechanical stopper of air sparger control valves of the first crystallizer without impacting the plant performance; as a result, the discharged pressure could be reduced which in turn reduced the power consumption of the process air compressor.
- Wellman-Mullagh, Ireland, has installed new pumps for its cooling tower to meet the demand; as a result, the optimization of the cooling tower pump led to cost savings from energy consumption reduction.
- One of FiberVisions in Covington, GA's energy efficiency improvement initiatives is the replacement of the old lighting system with LEDs, which is more energy efficient. This is part of project and maintenance work in the office and buildings.
- FiberVisions, Varde, Denmark, saved 1,064 MWh by reducing the company's energy consumption as measured in individual projects and identified areas where future savings can be made.

Energy Consumption (GJ)

	2011	2012	2013	Trend
Total direct energy consumption	21,669,955	21,847,356	21,801,220	-0.21%
Total indirect energy consumption	5,476,334	9,944,330	4,725,065	-52.48%

Although, there is an increasing number of sites, IVL's total direct energy consumption year 2013 was at 21,801,220 GJ, remaining at the same ballpark as previous year. We will continue to improve the efficiency of the operations moving forward.



In 2013, IVL has managed to reduce both total direct and indirect energy consumption effectively. The total direct energy consumption slightly declined to 21,801,220 GJ from 21,847,356 GJ last year, a 0.21% decrease. The total indirect energy consumption significantly reduced by 52.48%, from 9,944,330 KJ to 4,725,065 KJ. Benchmarking will contribute to further reductions in 2014.

Water Management

IVL's current operations and future growth rely on access to appropriate quality and quantity of water. IVL considers the impacts of water withdrawal to the local community and manages the risks to reduce the water risk related impacts to the operations and community.

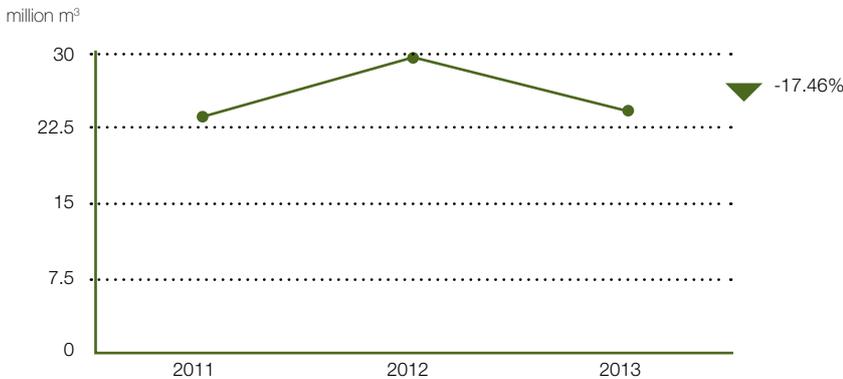
We require each of our factories to treat wastewater in accordance with the local standards. Quality of wastewater effluent is monitored before discharge out of the factory premise. For our FiberVisions plant in Athens, GA, we initiated a project to control Biological Oxygen Demand (BOD) in wastewater effluent by determining BOD content of the influent and apply the best treatment conditions, which allows our factory to reduce the liability and costs associated with surcharges for excessive BOD in wastewater.

IVL plans to implement a development plan in 2014 to conduct water balance assessments and analyze hotspots in facilities where this has not yet been implemented so that water consumption can be reduced. Following the assessment, water reduction targets will be set for annual and total reduction by 2018. One of the targets will be to assess how much water is used per tonne of product and seek to reduce that incrementally over time.

In 2013, IVL consumed a total of 24.4 million m³ of water, the majority of which was surface water and industrial waste supply. The water consumption volume was decreased by 17% from 2012.

Water Savings (million m³)

	2011	2012	2013	Trend
Water withdrawn by source	23.65	29.56	24.4	-17.46%



IVL saved more water in 2013. Water withdrawn volume was decreased by 17.46%, from 29.56 million cubic meters to 24.4 million cubic meters. Water withdrawn from local sources, from surface water, ground water, and waste water provided by other organizations, none of which is designated a protected area or recognized as having sensitive local ecology.

Case Study: CO₂ neutralization at Wellman, Spijk, the Netherlands

Wellman, Spijk, the Netherlands has started testing the possibility of implementing CO₂ neutralization as a replacement of the current process water neutralization method, which makes use of sulfuric acid. The CO₂ neutralization could decrease the amount of sulfate in wastewater. At the moment, the completion of the environmental license for CO₂ neutralization and renewal of a water license is in progress to finalize the legislative part of this project.

3. Reusing Resources

The reuse of resources not only increases our business competitiveness through cost reduction it also protects us against higher natural resources' prices in the future.

Water and resources reuse are included in our environmental management system. Material and water reuse and recycling targets are set at the factory level depending on the water challenge in the area.

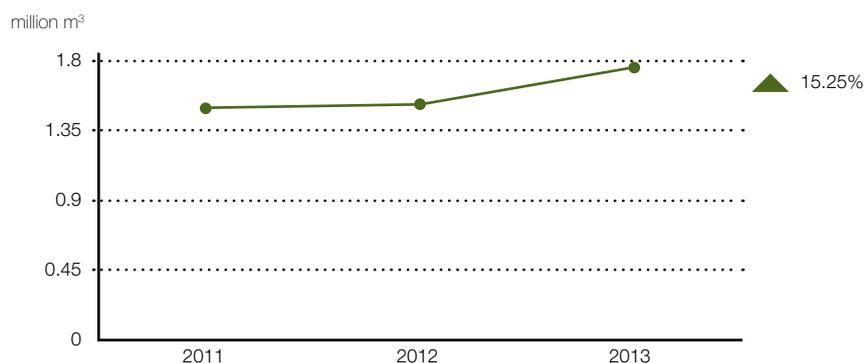
Water will be the next global challenges in the near future from the change in climate pattern and increase in world population. Water risk is not just about having insufficient water to undertake operations – but also the challenge of managing large volumes of water as a result of flooding or dewatering. Water quality is also an area of increasing concern especially to communities downstream of operations. We recognise that water risk can result in financial exposure for companies arising from delayed project approvals, constraints on production, property damage, more stringent regulation, and reputational impacts, apart from depleting a natural resource. We currently adopt a de-centralized management approach to water management and reuse because the level and type of water related risk is specific to particular areas.

Management is committed to a development plan for its water resources that will include items such as water balancing to assess hotspots. We intend to draw up an action plan by 2015 that specifies how we will reduce water consumption and set targets that must be achieved. We will measure the water footprint of sites where water is likely to become a scarce resource in future. We will examine how much water is consumed per unit of PET produced and use that as a benchmark for reductions in water consumption used in the manufacture of PET.

OUR PROGRESS IN REUSING RESOURCES Water reuse and recycling

Total water reused/recycled (million m3)

	2011	2012	2013	Trend
Total water reused/recycled	1.495	1.521	1.753	15.25%



In 2013, 1.753 million cubic meters of recycled water was used. This is a 15.25% increase compared to 2012. IVL has improved its ability to manage and reuse water progressively. Some factories have closed loop chilled water systems in their process, giving significant savings. The effort to continue improving and increasing the consumption of reused water will include benchmarking usage across the world and ensuring that employees are aware of this effort.

Indorama Holdings Rotterdam

Our Rotterdam, Netherlands, plant has implemented an initiative to introduce a water softener into its supply as this will decalcinate the water used for some applications and reduce the amount of potable water consumed. The company will benefit as decalcinated industrial water is less expensive than the demineralized potable water alternative.

FiberVisions Covington

Recycling utilizes the waste resulting from the manufacture of polypropylene (PP) fibers at FiberVisions in Covington, the USA; creating improved efficiency in the use of the material and a corresponding reduction in the cost. Implementation uses industrial PP, where recycled PP can be added without affecting final properties.

Indorama Ventures (Oxide and Glycols)

In the production of oxides and glycols, the catalyst plays an important role in promoting the efficiency of the production process. Indorama Ventures (Oxide and Glycols), or IVOG, changed to the use of the S-893 catalyst in 2013, which is a new generation of catalyst that has a much slower selectivity decline curve. The result has been an increase in the daily production for the same quantity of ethylene, a reduction of ethylene losses to CO₂, a reaction by-product and reduction of CO₂ emissions.

StarPet

The dust reprocessing project at StarPet in North Carolina, USA, reprocesses the dust that results from tiny particles of PET. The company collects, screens and adds PET dust into the paste tank to gain an increase in the yield and lowers its conversion cost by approximately \$14,000 per annum.

Case Study:

Various actions have been taken to make water use more efficient at Wellman in Spijk, the Netherlands, including CO₂ neutralization. For example, it reduces raw water consumption in its dewatering unit by reusing water from its waste water treatment plant. It replaced the hydrant ring main to prevent water leakage in the pipeline.

4. Renewable Energy

Oil is one of the world's vital sources of energy for many years to come. However, its price is expecting to be higher due to higher operating costs and depleting reserves. In addition, climate change is expecting to have financial impact on fuel prices or new opportunities for alternative energy through incentives or emission taxes.

IVL seeks to use renewable and non-fossil fuel whenever possible. Solar photovoltaic (solar PV) energy is the technology we currently employ as it converts sunlight directly into usable electricity with no air or water pollution emissions in the process. In addition, no greenhouse gas is emitted through the electricity generation process which simultaneously ensures IVL reduces its carbon footprint.

Performance

6.93 MW

Electricity resources

Capacity of electricity generation from renewable energy source owned by IVL

Capacity of i.e. photovoltaic installations



Wind generator installed at Orion Global Pet



Photovoltaic panels installed at Trevira

In 2013, we consumed energy from renewable sources at around 992.63GJ (from solar power) and 17.3GJ (from wind power). At our Lopburi site, when we displaced the use of grid power with solar power at around 847.44 GJ/year, the subsequent power saving amounted to around 940,000 baht per year.

IVL commits to continue increasing the proportion of electricity from cleaner sources of energy in the future.

Case Study:

At Trevira, as part of our energy management and optimization of efficient use of resources, we rent our plant roof areas at the Bobingen and Guben sites to a solar energy company to install and commission photovoltaic panels. The power generated from solar top was used at the site. This has reduced the use of grid electricity. In addition, this concept results in energy tax savings of around USD 57,705 and additional revenue from roof top rent of USD106,515.

5. Employee Development

Our aspiration is to be one of the most admired companies in our sector. We aim to be the chemical company of choice for top talent by providing people the opportunity to develop their careers via talent management programs and attractive benefits packages.



People are at the root of our success and the driver of our future growth. This belief is exhibited in our vision, mission and values statement. With “People First” as one of our four values, it is a part of our day-to-day work and hence “People Perspective” is one of the mandatory perspectives of the Balanced Score Card which is applicable for each position in management level.

As a global company, our policy is to eliminate discrimination, child labor and forced labor and uphold freedom of association and collective bargaining. We also consider the diversity and equal opportunity at workplace to ensure that every employee is recognized without barrier of age, gender, race, nationality or religion.

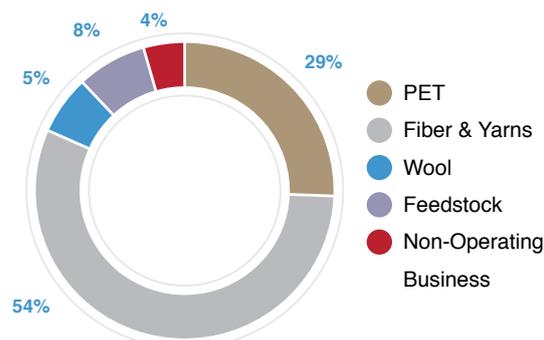
Total employee by business segment

Total employees by business segment

Type of Business	As of December 31, 2013
PET	2,633
Fibers & Yarns	4,969
Wool	436
Feedstock ⁽¹⁾	781
Non-Operating Business	354
Total Permanent Employees	9,173⁽²⁾

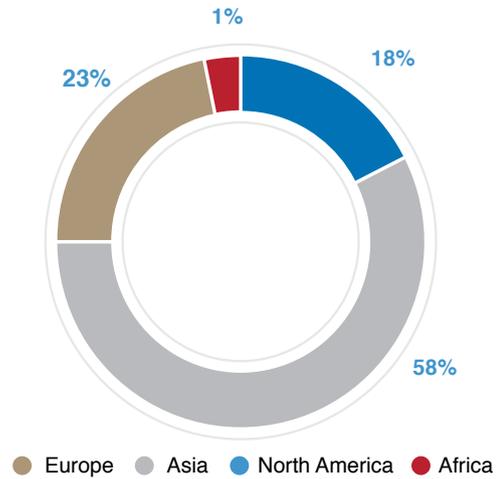
Remarks: ⁽¹⁾ PTA Business and EG/EO Business; ⁽²⁾ doesn't include temporary manpower

Segment wise employees in 2013

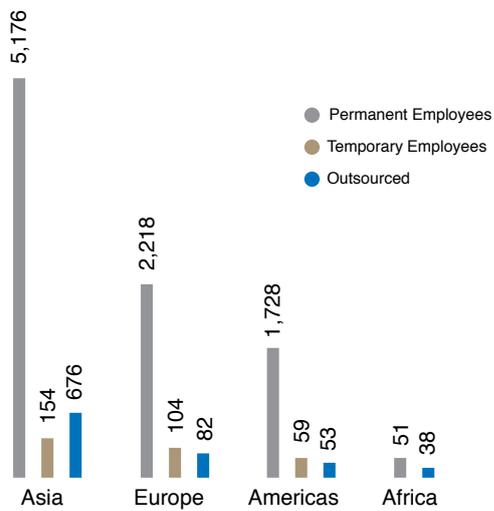


Total employees by region

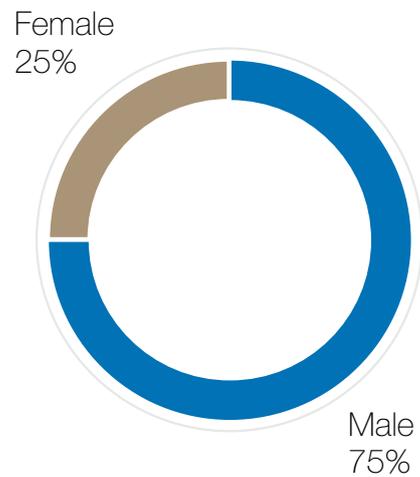
	Number of Employees	
North America	1,728	(18%)
Asia	5,176	(58%)
Europe	2,218	(23%)
Africa	51	(1%)
Total	9,173	(100%)



Employees by continent



Gender Profile



Employee Category	Number of Male Employees	Number of Female Employees
Expat	211	2
Salaried	5211	1726
Hourly	1128	394
Contractual	579	99

Employee Management Strategy

Growth of employees is an important factor for the success and sustainability of IVL. We are a global company and we want our people to have a global outlook. This is also a growth company and plans to continue building and acquiring assets and businesses around the world with a focus on the Polyester Value Chain. With the Performance Management System (PMS), we identify employees who are high on both performance and competence. These employees are identified for their career advancement. They are given opportunity to get exposed to other units of IVL within the country or outside the country for short intervals initially and then are transferred permanently. These transfers are the part of career path which makes them to grow their knowledge and skills and in turn to the next level of the hierarchy.

The Human Resource Department presents its annual strategy, which is line with the business, to the Board of Directors for their approval. HR strategies are to support business growth, manpower optimization, business/functions integration, and identification and development of workforce to meet the business requirements. Some of the examples are availability of right people for the expanding units, restructuring of organization to enhance its effectiveness, assessment of high potential employees for effective succession planning, etc.



We believe that our company's guiding philosophy has the power to influence, inspire and challenge employees on a daily basis. With "People First" as one of IVL's values, our global strategy for human resources (HR) is to help unleash this potential across every area of our business by enabling leaders to make great decisions that, in turn, enable IVL's business growth.

Our HR function supports growth goals as partners to our leaders to ensure we evolve the organization to support all of our business segments, ensure operational and functional excellence, and plan the size and cost of our global workforce. Our employees are well positioned to address change. In fact, the nature of IVL's business is change. Customers are constantly evolving what they expect, and we know that employees across the company, at all levels, making quick, but wise, decisions is crucial to our success. Honing the ability of employees to ask the right questions, examining learning opportunities, and continually rethinking the needs of the business are ever-present priorities that are supported by leaders who coach and inspire.

IVL's recruiting efforts mine the best suited talent. In building our teams, we focus on company's future business needs and how we can plan for growth. HR continues to undertake extensive outreach recruitment activities to identify more qualified and diverse candidates.

The company appreciates in value as employees develop their skills and organizational knowledge. We view training as a whole system and not a one-time event. This means that what happens before and after the actual training is just as important as the training itself.

We concentrate on key areas that help to sustain our business performance. Our talent strategy focuses on critical assignment planning, manager accountability for coaching and mentoring, and team learning. We also plan to work on ensuring successful leadership transitions, develop the next generation of leaders and grow emerging and diverse talent.

IVL believes in balancing training inputs have multi dimensions, from technical to behavioral, from organizational to individual level, on-the-job training to an e-learning platform. Some of the global statistics of the training impacted in 2013 across all locations of IVL speaks about the intensity and the coverage of employees.

More details are available in our Annual Report 2013 under section People in the chapter on Corporate Governance.

Employee Development Plan

The Human Resources policies have been designed and implemented to attract the potential employees and retain, develop and promote the existing employees. The HR policies and practices are reviewed every year to keep it current with the requirement of business and changing dynamics in the job market. For the long term sustainability of the organization, the focus is on assessment of current performance and competency (potential for future) of the individual employee (both in management and staff levels).



To identify talent and prepare an appropriate develop plan, a Performance Evaluation process is needed. This is an annual process which takes the calendar year as the assessment period. The process has two steps including self-appraisal and assessment by immediate superior. The process is based on open discussion with the superior on performance and expectations for the subsequent year.

Those who are evaluated as high on performance and competency will be promoted for enhanced role. The rest are given guidance on how to perform better and helped in enhancing their competencies.

Based on the outcome of the performance evaluation process, the training needs are identified for each employee. Based on total training needs, a training calendar is made for the whole year. Employees are asked to attend training based on their respective training needs. This includes both the in-house and external trainings. Examples of our training courses are:

1. Six Sigma Green Belt and Black Belt Training
2. ISO 50001 Internal Audit training
3. Carbon Reduction Training
4. 5S training
5. In-house Technical Training

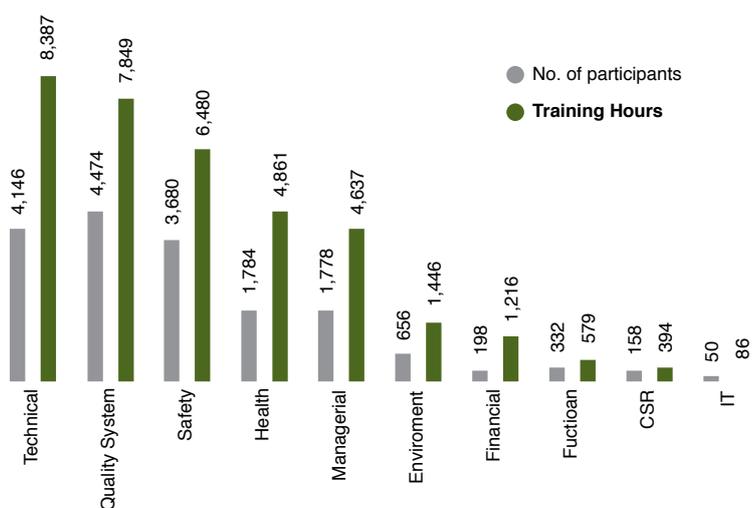
For management level employees, the training needs are identified during their PMS, which is imparted either in a group at in-house training or sending them to the external training programs. Examples of the training courses are:

1. Business Simulation Workshop
2. Power Packed Presentation Skills
3. Finance for Non-Finance People
4. Financial Strategy for CFOs
5. Directors Certification Program
6. "Managing in Complex Times: Executing Effective Growth Strategy", etc.

Focused areas for training programs

SL	Focus Area	Batches	No. of Participants	Training Hours
1	Technical	186	4,146	8,387
2	Quality System	52	4,474	7,849
3	Safety	136	3,680	6,480
4	Health	26	1,784	4,861
5	Managerial	90	1,778	4,637
6	Environment	36	656	1,446
7	Financial	28	198	1,216
8	Functional	36	332	579
9	CSR	30	158	394
10	IT	8	50	86
	Total	628	17,256	35,935

Training Hours and Participants in 2013



Individual development was focused, 30% of the training was in Technical subjects, 22% on individual safety and 14% on enhancing individual Managerial skills.

Talent Attraction and Retention



To grow business in a more sustainable manner, the Company must put emphasis on attracting, retaining, and motivating valuable staff. The Company is in a highly competitive industry and in order to attract and retain high quality employees it is necessary to ensure that compensation and benefits are competitive in every country we operate, in order to be attractive. We pay a fair wage reflecting local markets and conditions and always meet any national minimum wage. We provide our employees with on-the-job training, further educational opportunities, competitive salary, and benefits such as coverage for health care and retirement. The Company also offers special packages to expatriate employees that include benefits for the employee's family.

Country	City	Min Wages in local currency	Rate	Ratio with IVL- Entry level position
USA	Texas	7.25	Hour	NA
	Alabama	7.25	Hour	52
	NC	7.25	Hour	1.1
	Georgia	5.25	Hour	1.05
	Mexico	64.76	Day	1.08
Netherlands		68.23	Day	1.02
Italy		56.9	Day	1.09
Thailand		300.00	Day	1.11
Indonesia		73.333	Day	1.05
Poland		77.00	Day	1.04
China		11.10	Hour	1.01
Nigeria		600.00	Day	1
Germany	West	1,988.00	Month	1.12
	East	1,728.00	Month	1.12
UK		6.19	Hour	1.06
Lithuania		48.48	Day	1.02
France		9.53	Hour	1.1
Ireland		8.65	Hour	1.02
Denmark		108.7	Day	1.08

The Company's salary package for expatriate employee includes a housing allowance, local international school education for children as well as free healthcare, fuel allowance, etc. The salary package for local employees is provided equal to the norm (or more attractive) in the area of employment.

To better understand the needs of employee, the Company conducts employee engagement surveys, especially of key employees to measure the pulse of the high potential employees. Exit surveys also help to understand gaps in the existing practices that in turn support enhancing employee-related measures.

Summary of progress of employee development for 2013 (as committed in the 2012 report):

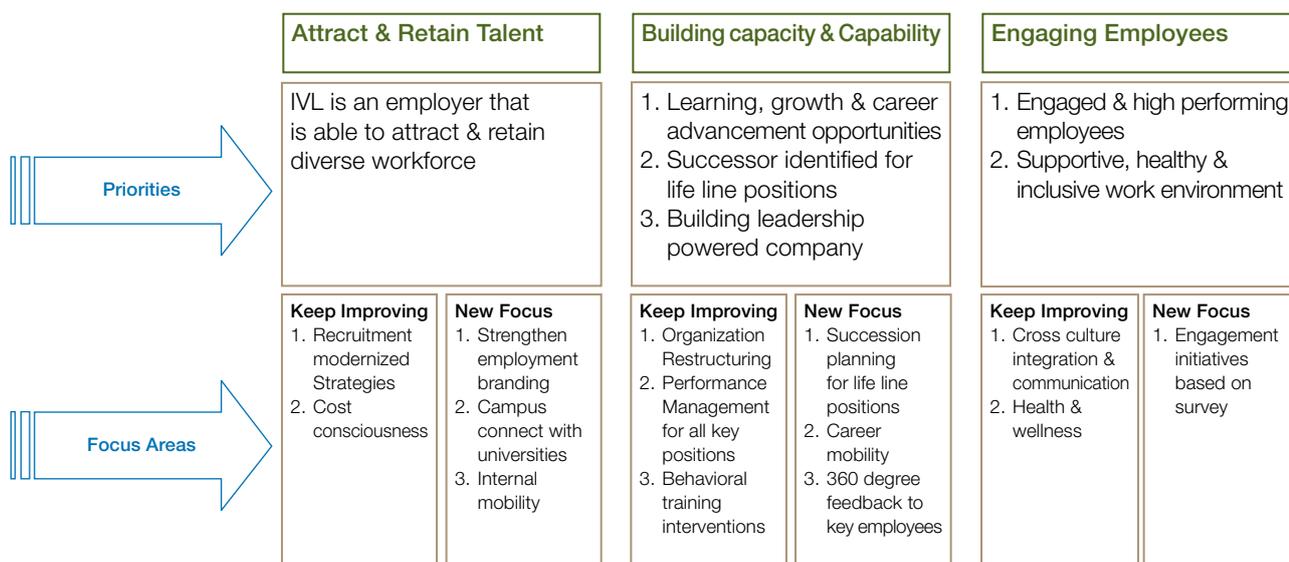
- Need-based training
- Exposure through rotation
- New performance measurement system
- Performance-based incentives and level-based allowances
- Provision of additional increment to high potential and highly-qualified employees
- Grievance procedures for complaints in relation to bullying, discrimination, harassment or victimization
- Inclusion of a human rights policy

Our HR strategy in 2014 and key focus areas for employee development

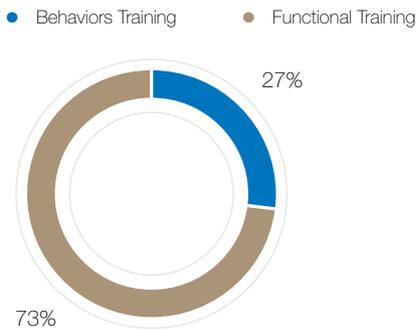
In today's complex business environment, the key factor in determining the success & sustainability of any organization is its ability to use human talent – to discover it, develop it, deploy it, motivate and energize it. Human talent – the combined capacity and will of people to achieve an organization's goals – is a productive resource like no other.' As growth story of IVL continues to fascinate the market, excogitating the human capital strategy which will leverage on stabilizing and growing the bottom line further will help us in creating a platform for expansion into new product acquires, develops and uses knowledge faster than the competition. Overlaying all of these, following are the priorities shaping our strategic human resource strategy.

- A. Attracting & retaining diverse talent
- B. Building capacity & capability to sustain.
- C. Engaging employees to achieve the results.

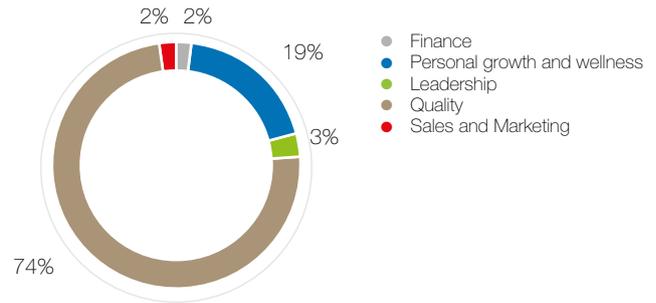
The HR strategy plan at a glance is as follows.



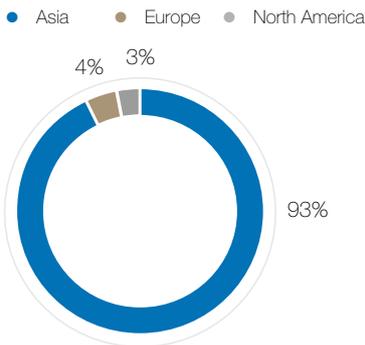
Employee Development Program in 2013 by type



Employee Development Program in 2013 by Category



Employee Development Program by Region



We identify training needs for each employee by three means.

1. Through Performance Management process for each individual, based on both functional & behavioural competency of the individual.
2. Through Departmental specific functional requirement based on functional needs
3. Through Organizational requirement, in order to meet organizational needs like training on Corporate Governance, etc.

Diversity and Equal Opportunity



The Company has a Human Rights Policy that follows the principles laid down in the Universal Declaration of Human Rights and its two corresponding covenants, The International Covenant on Civil and Political Rights and The International Covenant on Economic, Social, and Cultural Rights.

We respect the rights of employees and stakeholders and do not discriminate against anyone based on their ideological views, race, color, religion, gender, sexual orientation, national origin, age, disability, or any status regarded as a human right.

We do not employ child labor, forced or bonded labor. No person under the age of 16 shall be employed nor any young person employed unless in compliance with related laws and regulations.

All staff will have agreed employment terms and conditions in accordance with local law or practice and will be given appropriate job skills training.

The Company has a policy on HIV-AIDS, consistent with IVL's current global policy on non-discrimination. We provide a harassment- and discrimination-free working environment. The Company does not and will not discriminate against colleagues having, perceived as having, living with, or otherwise affected by HIV or AIDS. We treat HIV and AIDS the same as other illnesses in terms of all of our employee policies and benefits, including health and life insurance, disability benefits and leaves of absence. We will seek to influence key suppliers and customers to consider the same non-discriminatory practices.

All employees and subcontractors adhere to our non-discrimination policy. Anyone engaging in harassment or discrimination is subject to disciplinary action up to and including termination of employment.

Case Study:

The Company provides training for staff at sites on how to self-examine for the early signs of possible breast cancer. Every year the Company provides a free health examination for all employees, including medical advice from visiting physicians.

Human Rights, Anti-Bribery and Corruption

We have a Whistleblower Policy which specifies grievance procedures through which staff can raise personal and work-related issues. The policy ensures that Global HR Head, Company Secretary and Head Internal Audit can be reached by the employees to share their grievances related to ethics from any part of the world. The people at these positions take the matter to the concerned and then as per the process it needs to be reported to NCCG Committee of Independent Board Directors.

Employees receive training on ethical business practice including human rights, child labor, conflict of interest, and labor rights, among other topics. Employees may make disclosures concerning any act that violates the Company's ethical business practice as specified in the Company's Code of Conduct and Corporate Governance Policy and any act that adversely affects the business interest of the Company and any act that is illegal under local or international law. Also, we have a policy to receive grievances from any employee who feels that he or she has grounds for complaint in relation to bullying, discrimination, harassment or victimization has the right to pursue the complaint through our grievance procedures.

Customers who feel they have grounds for complaint may pursue these through our customer complaints procedures. We ensure our complaints/feedback procedures can be accessed and used by everyone.

A Protected Disclosure, defined as any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity and for which the Company and management will not disclose the identity of the whistleblower or initiate any punitive action, can also be made to an immediate line manager (in cases where there is no potential conflict of interest). In such cases the line manager shall address the report to the Whistleblower Committee by taking appropriate care to conceal the identity of the Whistleblower.

Performance

0

Cases regarding labor rights issue through formal grievance mechanism

0

Cases regarding human rights issue through formal grievance mechanism

0

Number of responses to corruption incidents

6. Stakeholder Engagement

IVL engages with both internal and external stakeholders as a part of business operations to maintain good relationships and understand their expectations.

Stakeholder engagement is one of Indorama Ventures' Pillars for Sustainability. We have processes for each factory to identify and conduct stakeholder engagement with our seven stakeholder groups including shareholders, customers, employees, suppliers, investors, government and industry group and local communities. Each factory is responsible for stakeholder identification based on location and activities. The Company defines stakeholders as any individual or group that stands to gain or lose economically, socially or environmentally through the actions of the Company. We have tailored our engagement processes using different communications methods to suit each different stakeholder group. Stakeholders' view and expectation are identified through stakeholder dialogue at each factory. The result is maintained at local level. We also encourage factory to apply ISO 26000 for their CSR activities. IVL expects to improve our stakeholder engagement process as part of our continuous improvement.



Stakeholder Group	Expectations	Engagement Method	No of times engaged
Shareholder	<ul style="list-style-type: none"> • Share value and dividend • Business growth and future direction • Good governance 	Annual general meeting	Annual
		Investor Relations	Continuous
		Corporate grievance mechanism	Continuous
		Shareholders Visit	Bi-annual
		Opportunity Day	Quarterly
		Company Magazine	Quarterly
		Press Release	As needed
		Website	Continuous
		Code of conduct	As needed
Customers	<ul style="list-style-type: none"> • Quality and delivery of products • Product solutions solving • Ability to support in global market • Responsible Supply Chain • Product Responsibility 	Annual customer satisfaction survey	Annual
		Customer visit	Continuous
		Product Website	Continuous
		Marketing Collateral	Continuous
		One-on-one contact	Continuous

Stakeholder Group	Expectations	Engagement Method	No of times engaged
Employees	<ul style="list-style-type: none"> • Compensation and benefits • Career development • Employer Responsibility • Safe workplace 	Employee Satisfaction Survey	Annual
		Annual Performance Review	Annual
		Corporate Grievance Mechanism	Continuous
		Town Hall Meetings	As needed
		Training and Workshops	As needed
		Safety and Environmental Policy	As needed
Suppliers	<ul style="list-style-type: none"> • Procurement practices • Product Responsibility 	Supplier Management System	Continuous
		Business Partners and Competitors Policy	As needed
Investors	<ul style="list-style-type: none"> • Investment progress • Return on investment • Risk management • Sustainability of business 	Investor Relations	Continuous
		Quarterly Analyst Meeting	Quarterly
		Corporate Grievance Mechanism	Continuous
		Q&A Fact Sheet/Investor Fact Sheet	Quarterly
		Documents and correspondence sent via post and e-mail	Continuous
		Conference calls	4 times in 2013
		Email subscription and communication	Continuous
		IR website	Continuous
		Roadshows	14 times in 2013
		Sustainability Report	Annual
Government	<ul style="list-style-type: none"> • Regulatory compliance • Compliance with permit conditions • Good Governance • Transparent reporting 	Site visit	As needed
		Focus group meeting	As needed
		Joint events	As needed
		Member of industry bodies	Continuous
Industry Group/local communities	Support the initiative of industry Manage direct environmental impacts Involvement and support of local initiatives	Industrial group meeting	As needed
		Annual open house event at the factories	Annual
		Community visit program	Continuous
		Joint events with industry group	Continuous

Our engagement processes with these different stakeholder groups are elaborated below.

1. SHAREHOLDERS, BONDHOLDERS AND INVESTORS

With over 36,798 registered shareholders, including retail and institutional investors, such as pension funds and banks, IVL strives to serve them and meet their needs. To assist them to communicate, the Company has an email address on its website for both investor relations and independent directors.

All our shareholders are encouraged to attend the Annual General Meeting where the Board presents the Company's performance and strategy to shareholders, who then have the opportunity to ask questions, share their opinion and vote on certain issues.

2. CUSTOMERS

We believe that customer engagement is important to the success of the Company and focus on building strong relationships with them using active two-way communication. We implement professional methods of receiving customer enquiries and maintaining open communication channels for their feedback.

We need to support customers to meet their own sustainability goals as their sustainability is important to us. Our innovative products and solutions, including post-consumer recycled (PCR) fiber, Future PET and Trevira CS will help our customers to meet their goals and drive future progress.

To ensure that our services are always professional and made with the customer in mind, we have a written customer treatment policy as well as a customer privacy policy. These policies are reviewed every year to ensure they are up-to-date and in line with industry practice.

3. SUPPLIERS AND BUSINESS PARTNERS

We believe in sourcing goods and services from suppliers and business partners who operate ethically and therefore evaluate potential suppliers and partners prior to using them to judge whether they can meet our environmental protection standards and have ethical labor practices.

This is because we want to develop strong relationships with like-minded suppliers and partners based on mutual respect, trust and understanding. We believe in close partnerships so that we understand what they want and ensure that we can provide them with their requirements. We therefore communicate with suppliers regularly to learn how to improve our relationship.

We want to improve our Environment, Health and Safety (EHS) performance hand-in-hand with our suppliers and business partners and have developed a transparent statement of our purchasing and credit policy to ensure our business standards are fully integrated.

We will be developing a supplier Environmental, Social, Governance (ESG) Guideline in the next two years to ensure that our supplier relationships are on the same footing in every region.

4. EMPLOYEES

We treat all employees equally and maintain high standards in their care, regardless of where they work. All members of staff have written employment terms and conditions that comply with all local laws or practices. We believe in paying a fair day's wage for a fair day's work. Our wage structures reflect local market pay and conditions, especially ensuring that we meet any national minimum wage policy and ensure that working hours comply with industry guidelines and national standards.

We are committed to respecting human rights as embodied in the Universal Declaration of Human Rights and its two corresponding covenants, The International Covenant on Civil and Political Rights and The International Covenant on Economic, Social, and Cultural Rights. Accordingly, we do not employ child labor, forced or bonded labor, forced overtime or condone any such breaches by customers, suppliers or business partners. Employment is always in compliance with applicable laws and regulations concerning age, hours, compensation, health and safety. We monitor our compliance with this policy and the requirements of relevant underpinning legislation so as to ensure that we are considered a fair and honest employer by the local community and the authorities. We have a commitment to continuous improvement and compliance with non-discrimination laws at all our operations.

We actively seek to exceed, where possible, national and international legislation and relevant codes of practice. We provide our employees with job skills training depending on their needs and the requirements of their work to ensure that we have a positive impact on the careers and lives of all our staff.

We have established grievance procedures to allow all employees to raise personal and work-related issues. Anyone who feels that he or she has grounds for complaint regarding bullying, discrimination, harassment or victimization may enter grievance procedure, which is monitored by top management and treated in strict confidence. An email ethics@indorama.net is available on our website for reporting a complaint directly to top management.

Customers who feel they have a grievance against the Company may lodge their complaint with either their local IVL representative office or manufacturing site, or directly with headquarters in Thailand following our company customer complaints procedures.

Employees New Hires and Turnover

		2013	
		Male	Female
Total number of new hires	Persons	1,231	318
Percentage of new hires	%	18.00%	13.70%
Total number of turnover	Persons	1,100	387
Percentage of turnover	%	16.10%	16.70%

GOOD WORKING CONDITIONS AND THE ENVIRONMENT

We are committed to offering good working conditions and are responsible for the safety, health and well-being of our employees.

We have invested in improving the health of our employees worldwide by offering a combination of health benefits, preventive and occupational health programs and an annual physical examination.

Moreover, we manage occupational safety and hygiene globally by providing regular training programs to help employees and contractors understand workplace policies and handle sensitive situations.

We respect the rights of our employees and all other stakeholders and do not discriminate against anyone based on their ideological views, race, color, religion, gender, sexual orientation, national origin, age, disability, or any status regarded as a human right.

We have adopted reasonable and inclusive practices throughout our operations and will always seek to eradicate prejudice, discrimination, bullying and harassment.

DIVERSITY

As a global company, we employed approximately 9,173 employees from different nationalities in 2013. The difference in cultures, backgrounds, skills and experience of our global employees drives creativity and creates strength in our business.

We certainly value differences and foster a working environment that supports diversity.

Each IVL employee is treated equally and has the power to make a difference.

At all our global operations, we commit to hiring and developing local talent to create a sustainable competitive advantage in a global market.

Employee Diversity

2013

		Male	Female		
Total employees by gender	Persons	6,850	2,323		
Percentage of total employees by gender	%	74.7%	25.3%		
		Europe	North America	Asia / Pacific	Africa
Total employees by region	Persons	2,218	1,728	5,176	51
Percentage of total employees by region	%	24.2%	18.8%	56.4%	0.6%
		<30 years	30-50 years	>50 years	
Total employees by age group	Persons	1,616	6,145	1,412	
Percentage of total employees by age group	%	17.6%	67.0%	15.4%	

FAIR REMUNERATION

We need to attract and retain the best talent and so we provide competitive performance linked packages. Our full-time employees are entitled to benefits prescribed by local law, including life and or medical insurance; annual physical health checks; a retirement plan; long-term incentives; annual bonuses; maternity or paternity leave in certain markets and scholarships for the children of employees. To assess performance an annual performance review is used to determine career advancement and salary adjustments.

COMMUNITIES

Our business is located among communities in some cases and thus we need to be engaged with the people around us as a part of our commitment to corporate social responsibility. In this situation, our business units interconnect and interact with local communities and always build durable relationships; ascertaining any social, environmental or health impacts on surrounding communities and developing plans to assist in improving their quality of life. Each facility has a method of receiving complaints or suggestions from local community leaders.

As local communities show interest in us, so we open ourselves up to further engagement by inviting community leaders and other groups to visit and learn about our activities. During periods of natural disaster, we provide immediate assistance to local communities.

GOVERNMENT, REGULATORY AND AUTHORITIES

As a global, listed company our business is undertaken in compliance with local and international laws and regulations, meeting or exceeding the standard business practice in countries where we operate. We have a public affairs team especially responsible for maintaining positive relationships with government authorities and contribute to public policy and regulation.

We engage with regulators and government authorities through our public affairs team.

Our businesses engage with government at both local and regional level. We believe in directness and transparency in government relations.

The team must engage with regulators, discuss industry and sustainability-related issues, including providing evidence to government inquiries and ensuring the Company complies with regulations.

Indorama Ventures also has a role in industry trade associations, as a member of industry-related organizations such as the World Economic Forum.

INDUSTRY AND INDUSTRY ASSOCIATIONS

IVL is a member of business organizations such as chambers of commerce and participates in industry associations to share opinions and best practices within our industry. Constructive dialogue with authorities, local and national government bodies is best conducted with support of like-minded organizations such as industry or commercial associations. The Company is politically independent however and has never provided financial or in-kind contributions to political parties, politicians or related institutions.

7. Local Community Development

IVL considers the local community to be our friend and we would like both of us to grow together in a sustainable manner. Indorama Ventures is committed to strengthening local communities and contributing towards sustainable and long-term benefits in the areas where we operate. We strive to be a responsible neighbor globally and dedicate our knowledge and resources to building better communities. Our local community development programs consist of six focus areas: philanthropic giving, arts and cultural programs and sponsorships, environment, education, community health and wellbeing and employee volunteerism.

Philanthropic Giving

IVL provides support to the organizations that improve the quality of life in the communities where we have business. Each site has its own funds for charitable giving to support select national, nonprofit and nongovernmental organization (NGOs) and educational institutions that serve communities in which they operate. We do not provide direct aid to individual and political group or candidates. We are unable to fulfill all financial requests. In order to help us make the greatest impact, IVL supports charities that align with our CSR practices and are within the community. Our focus areas are education, health, environment, art and culture, natural disaster relief and community development.

Case Study:

Description of initiative of philanthropic giving in 2013



Employees at Wellman International in Ireland hosted a charity bake sale to raise money for Pieta House, a non-profit organization providing specialized treatment program for people who engage in self-harm and attempt suicide.

Wellman International Ireland donated high visibility vests to the Zambia Immersion Project to help people in rural areas improving visibility and reduce accidents when walking at night.

Wellman International Ireland organized a Coffee Morning in aid of Our Lady's Hospice, Harold's Cross. The event raised 2,000, which was donated to the hospice.



StarPet donated money to Asheboro City and Randolph County schools, Christian Outreach Center, Habitat for Humanity, Salvation Army, Asheboro Police Department and Asheboro Zoo to improve community resources.

PT Indorama Ventures Indonesia donated money to help poor and elderly people in commemorating Eid Ul Fitr.

PT Indorama Ventures Indonesia donated money to local villagers in commemorating religious days.

Indorama Ventures' subsidiaries in Lopburi donated 500,000 baht and an additional 19,476 baht from employees to Thawung Hospital Lopburi to build the new Dental and Physical Therapy Center to celebrate Her Royal Highness Princess Maha Chakri Sirindhorn's 60th Birthday.



Indorama Ventures Mexico donated money to support the Mexican Red Cross in providing relief to victims of disaster and help people prevent, prepare for and respond to emergencies.



Representatives from TPT Petrochemicals gave sandbags along with drinking water and food to help flood victims in Rayong Province.

The PET Group at Lopburi donated 2,000 water bottles to help flood victims in Prachin Buri Province through Tha Klong Municipality.

Auriga Polymers employees raised \$56,050.36 in Charity for their communities through the United Way. They also collected 4,070 cans of food for those less fortunate.

FiberVisions' employees participated in the Jackson County (Georgia) Brevet Charity Bicycle Ride supporting research on aplastic anaemia, a deadly bone marrow disease.

FiberVisions Athens donated money to aid in eliminating birth defects.



Indorama Polyester Industries Nakhon Pathom donates adult diapers and antipruritics to Nakhon Chaisri Old Age House every month.

Orion Global Pet football team participated in the annual Football Charity Cup at FEZ and gave monetary support to a non-profit public organization, the Association of Children's Hearts.

Indorama Petrochem donated old computers items, e.g. CPUs, monitors, printing, copy machines and fax machines, etc. to Association of Persons with Physical Disability International (APDI).



Indorama Ventures donated money to the Foreign Correspondents Club of Thailand (FCCT) toward school reconstruction in Lopburi.

Arts and Cultural Programs and Sponsorships

Arts and culture play a unique role in community development by bringing people together and creating a better place to live. IVL has been supporting a variety of local events and activities to help communities enhance arts and culture. Through these activities, we are constantly strengthening our relationship with local communities. Our arts and cultural programs and sponsorships in 2013 included:

Case Study:



Indorama Holdings participated in Chak Phra Festival, a religious and cultural activities held after the end of Buddhist Lent “Khao Phansa”, and provided food for those attending the event.

All local factories in Thailand participated in Songkran Day (Thai New Year). Our management, expats and Thai staff celebrated with Thai ceremonies in all factories and participated with their local community to support local traditional activities and maintain long-term relationships between our plants and neighboring communities.

Indorama Petrochem, Indorama Polyester Industries and TPT Petrochemical participated with communities to support the Khao Lam (Glutinous Rice Roasted in Bamboo) Festival. This is a traditional festival in Rayong.



During Ramadan, PT. Indorama Ventures Indonesia sent gifts and donated some money to the poor to maintain good relations with surrounding villagers.

PT. IVI joined with the community to commemorate Nuzul Qur’an (18 Ramadan 1434 H). The theme was “Don’t adopt the wrong way of reading Al-Qur’an because the right way is easy.” In this activity, some Muslim employees prayed and breakfasted together.

Orion Global Pet supported Klaipeda Pilies Jazz Festival and Klaipeda Sea Festival the biggest traditional annual event in Klaipeda city.



Environment

Guided by our Environmental Policy, IVL is committed to being socially and environmentally responsible. We integrate environmental practices into business activities worldwide and contribute to a healthy environment within community.

Our operations around the world comply with applicable environmental laws and regulations and aim to improve and maintain our environmental practices to the highest standards.

We are committed to cooperating with the local authorities on relevant environmental issues and work closely with those involved in our supply chain in order to reduce any negative impacts from our activities which include sourcing products and services locally. We are involved in a variety of initiatives to promote good environmental practices globally.

Our efforts in 2013 include the following:

Case Study:



Indorama Ventures Poland joined with other chemical companies in Wloclawek in “A Tree for a Bottle” project organized by Ministry of Environment. The campaign aims to encourage local communities and young generation to take part in environmental activities by collecting discarded PET plastic bottles. Children participating in the campaign receive a tree in return for the collected bottles, which are later recycled. They can plant their trees in their towns and cities to make their community better. To date, children from all over Poland collected over 13 million bottles and planted 18.5 thousand trees.



Indorama Ventures Poland invited representative of the city authorities, office and children in the area to clean the factory surrounding area and plant trees on World Environmental Day 2013.

FiberVisions Covington joined Keep America Beautiful, the largest non-profit community improvement organization in United States on their Great American Clean-up Program to help keep the community beautiful.



Indorama Ventures initiated the “Adopt a Beach” project at Mae Ram Pheung Beach, the most popular tourist destination in Rayong, which is near our factories. The project aims to clean and maintain a beach to bring back tourists, which benefits to local community and the country’s economy. Over 677 volunteers participated including senior management and staff from Indorama Petrochem, Indorama Polyester Industries Rayong and TPT Petrochemicals, representatives from head office and students from local school. Started in 2012, today our project has collected a total of 7.9 tonnes of litter from Mae Ram Pheung Beach.



Started in November 2010 in Ban Nong Fab School, Rayong, IVL's Waste Recycle Bank project helps to promote cleaner and healthier communities by educating students to reduce and better manage waste. Students are encouraged to bring recyclable waste to school and keep a record in their bank book. IVL coordinates with local recycling companies to buy waste from the bank. Waste is weighed and a certain amount of money is credited to them based on the type of waste they provide. Money received is kept in the members' bank account for use as a scholarship. Following the success of the first project, IVL is now running a second waste recycle bank project in Wat Krok Yai Cha School, Rayong.

No. of students involved	162
Total members (include community)	235
Total waste collected	37,692.3 kilograms
Total revenue generated	100,827.63 baht



Indorama Polyester Industries (Nakhon Pathom) joined with their local community to treat the polluted canal water by adding Effective Microorganisms (EM).

Following two successful years, the RECO Young Designer Competition has been continued for another year. The project aims to educate and encourage young designers to create stylish fashion and product designs from recycled PET and Polyester fibers and yarns. By highlighting sustainable and environmentally friendly design, the project helps to preserve the environment and resources as well as support young sustainable designers with their career entry.



Competitors have a chance to attend design workshop conducted by industry professional and present their design along with prestigious designers. Designs are judged on the basis of style, creativity, marketability and sustainability. At the final round of judging, 10 teams are selected and given a budget to create their design. All finalist teams showcased their creations in the fashion show and exhibition.



For a second year, IVL held a workshop to teach local people at the Din Daeng Community to make handicrafts from recycled plastic bottles. The project aims to encourage people to recycle waste and create supplementary income. The workshop was well-attended all day and most people felt satisfied that they could increase their income by making handicrafts from recycled plastic bottles while also keeping the environment clean.

Education

IVL has been supporting local communities to improve their local educational standards and play a part in building better citizens and communities. We believe in developing local talents not only to building stronger communities but also to build human capital that can be part of the IVL business in the future. We work closely with local schools and institutions to encourage learning at all levels. The scholarship support is provided for underprivileged students to enable them to pursue higher education and reach more opportunities. In 2013, our global investment in education totaled 744,696 Baht. The Company is sponsoring 268 students.

Case Study:



A variety of education efforts in 2013 included:

Wellman International Ireland provided fiber samples made from post-consumer packaging materials to support education at a university in Sweden.

Indorama Ventures Mexico welcomed students from Universidad Autónoma de Querétaro, Tecnológico de Pachuca and Tecnológico de Chiapas to visit its factory. This visit aimed to give students experience in a real work environment.

PT Indorama Ventures Indonesia granted nine scholarships to support students in local community. Each year, PT IVI provides scholarship to students who meet their academic requirements. In 2013, PT IVI awarded five elementary students with an IDR 500,000 scholarship and four high school students with an IDR 750,000 to encourage them to pursue a higher education.

Indorama Ventures arranged a knowledge session on the Company to postgraduate students from Kasetsart University to support their studies.

Indorama Ventures supported a RAMAPET N1 and RAMAPET FA Ph.D. student at the Petroleum and Petrochemical College Chulalongkorn University to test his thesis.



Indorama Holdings organized English conversation classes for children at Ban Pak Klong Phra Community every Saturday for 6 weeks (while the school was closed) taught by our staff and expat wives. We donated English communication textbooks for them to practice by themselves.

Indorama Petrochem started an English language training project for local students at Prachummit Temple School in Banchang District, Rayong, to help prepare young students at elementary level (grade 6) to further their studies in higher education. The students are taught how to communicate in basic English. Expats volunteered to teach at the school once a week. The English class ended in September 2013.

FiberVisions Suzhou arranged internships for electricians from vocational schools in maintenance positions in FV to earn work experience and complete his/her last education semester.

The PET Group at Lopburi invited speakers from the Provincial Fisheries Department to talk to Pak Klong Phra villagers on how to raise catfish and donated fish floating cages to villagers.

Indorama Europoort conducted student tours to offer work experience as a laboratorial technician and guided them in their future careers.

Indorama Polyester Industries (Nakhon Pathom) arranged a workshop to teach villagers basket-weaving and artificial flower-making to generate more income and become self-sustaining.

Community health and wellbeing

IVL is dedicated to promoting healthy lives and healthy communities. We support a diverse health and wellbeing programs and contribute to a healthier society. The focus of our activity is the development and improvement of health infrastructure, the prevention of illness and the promotion of health and wellbeing.

Case Study:



Description of initiative of communities health and wellbeing giving in 2013

Indorama Petrochem in cooperation with other companies in Asia Industrial Estate to establish and implement emergency management programs for local community consisting of emergency plan, emergency response duties, public education and training. Emergency drills and exercises will be given in the next step.

FiberVisions donated a mobile water-sampling trailer to the city of Covington, Georgia, to support clean environment.

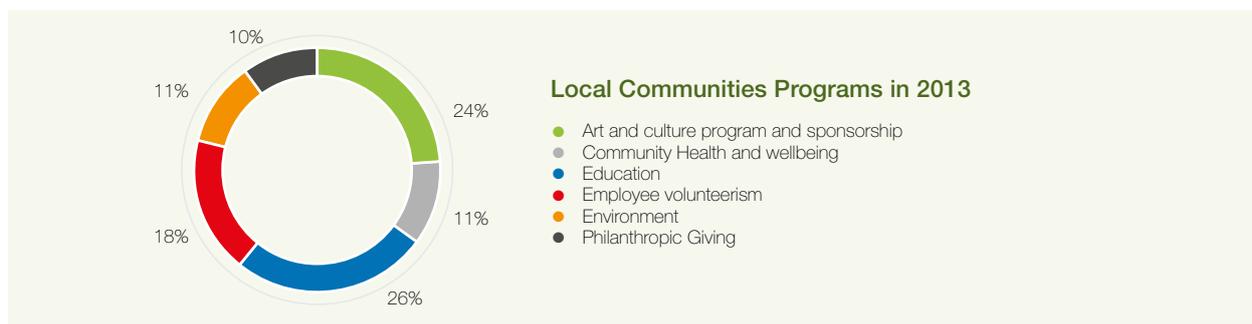
PET Group at Lopburi donated sports equipment to Pak Klong Phra Community to promote better health in the community.

PT Indorama Ventures Indonesia joined hands with a local hospital to conduct a health education session about influenza.

Employee volunteerism

IVL supports our employees' efforts to make positive changes to their communities. Our employees are encouraged to give back to their local communities through their volunteer efforts and financial contributions.

Performance



FiberVisions Athens's employees joined the United Way, a local charity, to renovate the front of the "Pencil School".

Employees at FiberVisions Athens held a series of cookout fundraisers on each shift to raise money for the March of Dimes Foundation, a non-profit organization that works to improve the health of mothers and babies. They raised US\$ 1,071.

FiberVisions' employees participated in the Jackson County Brevet Charity Bicycle Ride to raise money for Aplastic Anemia in Georgia.

Employees at Auriga Polymers made personal financial contribution of US\$ 56,051 to the United Way and collected 4,070 canned foods for those less fortunate.



Employees at the PET Group Lopburi participated in cycling and contributed to buy sports shirts.

Employees at TPT Petrochemicals, Indorama Polyester Industries (Rayong) and Indorama Petrochem volunteered to plant trees, paint the sidewalk and collect garbage at Nam Rin Beach, as part of World Environment Day celebration.

AlphaPet's employees and their families participated in a Dragon Boat Race organized by Decatur General Hospital to raise money for the hospital.

Auriga Polymers' employees pledged to donate over US\$50,000 for charity through the United Way.

Auriga Polymers' employees donated over 4,070 cans of food to a charitable food pantry.

Indorama Polyester Industries' employees repaired and painted a playground for a school near the factory.

2013 Sustainability Performance

2013 Sustainability Key Performance Data as Assured by Third Party ^[1]

	Required Data	Unit	Value
EN3	Total Direct Energy Consumption	GJ	10,918,614
EN4	Total Indirect Energy Consumption	GJ	1,876,609
	Purchased Energy	GJ	1,488,387
	Purchased Steam	GJ	388,222
EN22 ^[2]	Total Hazardous Waste (Sum of Waste From All of The Disposal Methods)	Tonnes	6,120.68
	- Reuse	Tonnes	0.87
	- Recycling	Tonnes	90.59
	- Recovery (Including Energy Recovery)	Tonnes	3.46
	- Incineration	Tonnes	5,384.66
	- Landfill	Tonnes	321.24
	- Others	Tonnes	75.00
	Total Non-hazardous Waste	Tonnes	36,770.30
	- Reuse	Tonnes	170.62
	- Recycling	Tonnes	26,234.97
	- Recovery (Including Energy Recovery)	Tonnes	14.40
	- Landfill	Tonnes	8,214.90
	- Others	Tonnes	41.82
LA7	No. of Injury (Employee)	Case	49
	No. of Injury (Contractor)	Case	10
	No. of Lost Day (Employee)	Day	153
	No. of Lost Day (Contractor)	Day	3
	No. of Absentee Day (Employee)	Day	8,940.50
	No. of Absentee Day (Contractor)	Day	0
	Total Man-Hour (Employee)	Man-Hour	5,913,066
	Total Man-Hour (Contractor)	Man-Hour	3,800,445
	Total Man-Day (Employee)	Man-Day	739,133.25
	Injury Rate (Employee)	Case per 200,000 Hours Worked	1.66
	Injury Rate (Contractor)	Case per 200,000 Hours Worked	0.53
	Lost Day Rate (Employee)	Day per 200,000 Hours Worked	5.18
	Lost Day Rate (Contractor)	Day per 200,000 Hours Worked	0.16
	Absentee Rate (Employee)	Day per 200,000 Days Worked	2,419.18
	Absentee Rate (Contractor)	Day per 200,000 Days Worked	NR

	Required Data	Unit	Value
LA 10	No. of Male	Person	1,635
	No. of Female	Person	1,014
	No. of Executive Level	Person	37
	No. of Management Level	Person	383
	No. of Worker Level	Person	2,103
	No. of Training by Male	Hour	38,676.09
	No. of Training by Female	Hour	23,894.93
	No. of Training by Executive Level	Hour	347
	No. of Training by Management Level	Hour	12,930.52
	No. of Training by Worker Level	Hour	41,223.63
	Average Training Hour by Male	Hour/Male/Year	23.66
	Average Training Hour by Female	Hour/Female/Year	23.57
	Average Training Hour by Executive Level	Hour/Executive/Year	9.38
	Average Training Hour by Management Level	Hour/Management/Year	33.76
	Average Training Hour by Worker Level	Hour/Worker/Year	19.60

Remarks:

[1] These key performance data (5 parameters) have been assured by an external party to cover 8 facilities in Thailand.

[2] Facility IPI-N did not report the method of disposal.

2013 Sustainability Performance Data ^[3]

ECONOMICS

Required Data	Unit	2011	2012	2013
Direct Economic Value				
- Revenue	Billion THB	186.10	210.73	229.12
- EBITDA	Billion THB	17.12	14.41	14.04
- Dividend to Shareholders	Billion THB	5.63	3.29	1.63
- Loans to Related Parties	Billion THB	-	0.61	0.99
Significant Financial Assistance Received from Government				
- Promotional Privilege	Billion THB	4.6	3.8	4.4

Remarks:

[3] The performance data is based on available information from all facilities in Thailand and overseas.

ENVIRONMENT

Required Data	Unit	2011	2012	2013
Materials ^[a]				
- PTA	Tonnes	2,301,600	2,803,920	3,197,040
- MEG	Tonnes	986,400	1,201,680	1,370,160
Recycled Input Material	Tonnes	583,690	633,962	704,827
Energy Consumption ^[b]				
- Total Direct Energy Consumption	GJ	21,669,955	21,847,356	21,801,220
- Total Indirect Energy Consumption by Primary Energy Source	GJ	5,476,334	9,944,330	4,725,065
Greenhouse Gas Emissions (GHGs)				
Total Direct GHG Emissions	Tonnes CO ₂ equivalent	365,705	344,019	387,534
Total Indirect GHG Emissions	Tonnes CO ₂ equivalent	139,172 ^[c]	128,095 ^[c]	224,806
Emissions				
- Volatile Organic Compounds (VOCs)	Tonnes VOC	56.8	177.2	337.8
- Nitrogen Oxides (NO _x)	Tonnes NO ₂	4,898.9	2,274.6	1,462.6
- Sulfur Oxides (SO _x)	Tonnes SO ₂	705.6	1,457.1	727.5
Spills ^[d]				
- Chemical Spills	Case	-	7	10
	m ³	-	200	435.5
- Hydrocarbon Spills	Case	-	1	1
	m ³	-	0.01	0.15
Water				
Water Withdrawn by Source	Million m ³	23.65	29.56	24.40
- Surface Water	Million m ³	7.96	7.97	14.24
- Groundwater	Million m ³	0.73	0.77	2.17
- Rainwater	Million m ³	0.06	0.05	0.04
- Wastewater from Another Organization	Million m ³	0.03	0.02	-
- Water Utility	Million m ³	9.64	14.35	7.58
- Sea Water	Million m ³	-	-	-
- Other	Million m ³	5.24	6.39	0.38
Total Water Reused / Recycled	Million m ³	1.495	1.521	1.753
	% of Total Water Withdrawal	6.32%	5.14%	7.18%
Waste				
Total Waste Generated	Tonnes	114,908	132,354	76,777
- Hazardous Waste	Tonnes	10,975	11,782	10,899
- Non-hazardous Waste	Tonnes	103,933	120,572	65,877 ^[e]

Total Waste Disposed ^[f]	Tonnes	25,175	23,300	20,900
- Hazardous Waste	Tonnes	10,700	11,341	9,920
- Non-hazardous Waste	Tonnes	14,475	11,959	10,980
Total Waste Recycled ^[g]	Tonnes	28,814	33,033	42,407
- Hazardous Waste	Tonnes	807	567	686
- Non-hazardous Waste	Tonnes	28,007	32,466	41,722
Hazardous Waste Shipped Internationally	Tonnes	68.9	67.6	101.6
Environmental Investment				
Waste Disposal, Emissions Treatment, and Remediation Costs	Baht	16,695,776	15,528,050	232,622,332 ^[h]
Prevention and Environmental Management Costs	Baht	72,444	555,670	30,102,924

Remarks:

[a] Reported only the use of significant materials, PTA, and MEG.

[b] Unit conversion factor is referred from <http://www.natural-gas.com.au/about/references.html>.

[c] Two of the operation sites in overseas did not report indirect GHG emissions year 2011-2012.

[d] Reported from 3 site locations: TPT, Ottana Lithuania, Fiber Visions Denmark.

[e] Waste reduction initiatives have been implemented at most sites in year 2013. This causes the reduction of non-hazardous waste.

[f] Disposal method includes incineration and landfill.

[g] Recycled method includes reuse, recycling, and recovery.

[h] Guangdong site invested in new water treatment facility, to treat an increasing PET capacity of 1,500 tonnes/day.

LABOUR

Required Data	Unit	2011		2012		2013	
		Male	Female	Male	Female	Male	Female
Workforce							
By Gender	Persons	6,793	2,119	7,077	2,207	6,850	2,323
By Region							
- Europe	Persons	2,230		2,219		2,218	
- North America	Persons	1,281		1,592		1,728	
- Asia/ Pacific	Persons	5,330		5,416		5,176	
- Africa	Persons	0		57		51	
By Age Group							
- <30 Years	Persons	NA		1,963		1,616	
- 30-50 Years	Persons	NA		5,532		6,145	
- >50 Years	Persons	NA		1,789		1,412	
Average Training Hours by Gender ⁽ⁱ⁾							
Male	Hours per Person per Year	NA		NA		23.66	
Female	Hours per Person per Year	NA		NA		23.57	
Average Training Hours by Level ⁽ⁱ⁾							
Worker	Hours per Person per Year	NA		NA		19.60	
Management	Hours per Person per Year	NA		NA		33.76	
Executive Level	Hours per Person per Year	NA		NA		9.38	
New Employee Hire by Age Group							
<30 Years	Persons	706	360	781	272	965	233
30 - 50 Years	Persons	199	120	169	94	249	83
>50 Years	Persons	9	3	7	4	17	2
Total	Persons	914	483	957	370	1231	318
New Hire Rate	% of Total Employees	13.5%	22.8%	13.5%	16.8%	18.0%	13.7%
Turnover by Age Group							
< 30 Years	Persons	795	386	860	256	786	232
30 - 50 Years	Persons	226	121	250	122	258	144
> 50 Years	Persons	38	10	58	11	56	11
Total	Persons	1059	517	1168	389	1100	387
Turnover Rate	% of Total Employees	15.6%	24.4%	16.5%	17.6%	16.1%	16.7%

LABOUR

Required Data	Unit	2011		2012		2013	
		Male	Female	Male	Female	Male	Female
Parental Leave							
Employee Entitled to Parental Leave	Persons	503	457	485	463	993	528
Coverage	%	7.4%	21.6%	6.9%	21.0%	14.5%	22.7%
Employee Taken Parental Leave	Persons	90	419	87	428	119	450
Employee Returned to Work After Parental Leave	Persons	84	29	52	43	117	36
Employee Returned to Work and Still Employed 12 Months After Return to Work	Persons	81	26	51	41	108	28

Remarks:

[i] Based on performance data from facilities in Thailand only.

SAFETY

Required Data	Unit	2013
Injuries		
No. of Injury (Employee)	Case	78
No. of Injury (Contractor)	Case	11
Injury Rate (Employee)	Case per 200,000 Hours Worked	0.99
Injury Rate (Contractor)	Case per 200,000 Hours Worked	NR
Lost Day		
No. of Lost Day (Employee)	Case	225
No. of Lost Day (Contractor)	Case	4
Lost Day Rate (Employee)	Case per 200,000 Hours Worked	2.85
Lost Day Rate (Contractor)	Case per 200,000 Hours Worked	NR
Absentee		
No. of Absentee Day (Employee)	Day	10,265.6
No. of Absentee Day (Contractor)	Day	13
Absentee Rate (Employee)	Day per 200,000 Days Worked	1,041.61
Absentee rate (Contractor)	Day per 200,000 Days Worked	NR

IVL GLOBAL AWARDS 2013



January 24, 2013

Asia Pet (Thailand) Limited and Indorama Holdings Limited received Honor Certificates acknowledging compliance with legal requirements for the employed and improved the Quality of Life of the Disabled from the Lopburi Governor, Mr. Pichet Piboonsiri.



March 2, 2013

Ms. Prapai Palakawong Na Ayuthaya, representing of Indorama Polyester Industries Public company Limited (Nakhon Pathom), received the Certificate of Excellence from the Department of Skill Development the Ministry of Labor.



March 7, 2013

Ms. Prapai Palakawong Na Ayuthaya, representing Indorama Polyester Industries Public Company Limited (Nakhon Pathom), received the Outstanding Woman Award 2013 on International Woman Day.



March 27, 2013

Dr. Nop Siwasilchai, representing Indorama Petrochem Limited, received the Environmental Governance Award (Green Star Award) from IEAT from Mr. Peravatana Rungraungsri, Deputy Governor (Industrial Port), representing the Governor of the Industrial Estates Authority of Thailand. This award has been won for two consecutive years.



April 4, 2013

Ms. Paveena Sriphothong, Issuer & Listing Division Group Head of the Stock Exchange of Thailand, visited Indorama Ventures to congratulate the Head of Investor Relations, Mr. Richard Jones, on being named one of the top 25 IR officers in the world of all time.



May 5, 2013

Indorama Ventures (Oxide & Glycols) LLC received the Pinnacle Award for chemical transportation safety from Union Pacific.



June 14, 2013

Indorama Holdings Limited received the Promoting Blood Donations for the Benefit of Society on World Blood Doner Day 2013 certificate from Banmi Hospital.



June 18, 2013

Indorama Petrochem Limited received the Carbon Reduction Label Certificate in recognition of its environmentally friendly process.



June 19, 2013

Indorama Polyester Industries Public Company Limited (Rayong) received the Green Industry Level 3 (Green System) certificate from the Permanent Secretary, Ministry of Industry.



October 31, 2013

Asia Pet (Thailand) Limited, Petform (Thailand) Limited, Indorama Polymers Public Company Limited, and Indorama Holdings Limited also received this certificate.



July 5, 2013

Mr. Anivesh Tewari, representing Indorama Polyester Industries Public Company Limited (Nakhon Pathom), received the Outstanding Establishment on Safety Occupational Health and Environment Award, National Level for four consecutive years (2010-2013) at the 27th National Safety Week.



September 11, 2013

Indorama Polymers Public Company Limited received the CSR-DIW Network Award for 2013 and CSR-DIW Continuous Award for 2013 from the Department of Industrial Works.



September 11, 2013

Asia Pet (Thailand) Limited received the CSR-DIW Network Award for 2013 and CSR-DIW Continuous Award for 2013 from the Department of Industrial Works.



September 11, 2013

Petform (Thailand) Limited received the CSR-DIW Network Award Year 2013 and CSR-DIW Continuous Award Year 2013 from the Department of Industrial Works.



September 11, 2013

Indorama Polyester Industries Public Company Limited (Nakhon Pathom) received the CSR-DIW Advance Award Level 4 for 2013 from the Department of Industrial Works.



September 11, 2013

Indorama Polyester Industries Public Company Limited (Nakhon Pathom) received the CSR-DIW Continuous Award for 2013 from the Department of Industrial Works.



September 11, 2013

Indorama Holdings Limited received the CSR-DIW Continuous Award for 2013 from the Department of Industrial Works.



September 11, 2013

TPT Petrochemicals Public Company Limited received the CSR-DIW Advance Award Level 4 for 2013 from the Department of Industrial Works.



September 11, 2013

TPT Petrochemicals Public Company Limited received the CSR-DIW Continuous Award for 2013 from the Department of Industrial Works.



September 11, 2013

Indorama Petrochem Limited received the CSR-DIW Continuous Award for 2013 from the Department of Industrial Works.



September 13, 2013

Indorama Polyester Industries Public Company Limited (Rayong) received the National Outstanding Industrial Establishment on Labor Relations and Welfare Award 2013 for nine consecutive years 2005-2013, from the Department of Labor Protection and Welfare.



September 13, 2013

Indorama Holdings Limited received the National Outstanding Industrial Establishment on Labor Relations and Welfare Award 2013 for eight consecutive years 2006-2013, from the Department of Labor Protection and Welfare.



September 13, 2013

Indorama Polyester Industries Public Company Limited (Nakhon Pathom) received the National Outstanding Industrial Establishment on Labor Relations and Welfare Award 2013 for four consecutive years 2010-2013, from the Department of Labor Protection and Welfare.



September 13, 2013

Indorama Petrochem Limited received the National Outstanding Industrial Establishment on Labor Relations and Welfare Award 2013 for three consecutive years, 2011- 2013, from the Department of Labor Protection and Welfare.



October 17, 2013

Mrs. Suchitra Lohia, representing Indorama Ventures as Director and Chairperson of the Sustainability Committee, received the Sustainability Excellence Award from H.E. Mr. Joan A. Boer, the Netherlands Ambassador to Thailand, at the Netherlands -Thai Chamber of Commerce and the Beluthai Chamber of Commerce Awards on October 17, 2013, at the Grand Hyatt Erawan Hotel, Bangkok.



October 26, 2013

StarPet Inc. received certification for food safety systems including ISO 22000:2005, ISO/TS 22002-1:2009 and additional FSSC 22000 requirements for the Manufacture of Polyethylene Terephthalate Resin for Food Packaging Containers Category Code: M (Packaging Material Manufacturing).



October 29, 2013

Indorama Petrochem Limited received the EN ISO 50001:2011 Management System Certificate.



November 5, 2013

TPT Petrochemicals Public Company Limited received the EN ISO 50001:2011 Management System Certificate.



November 7, 2013

PT.Indorama Ventures Indonesia received Halal Certification from the Assessment Institute for Foods , Drugs and Cosmetics - The Indonesian Council of Ulama (LPPOM MUJ) for its PET Product process.



November 20, 2013

Petform (Thailand) Limited received ISO certificate 22000:2005, applicable to manufactures of PET preforms, bottles and closures.



November 27, 2013

Indorama Ventures received both the prestigious Board of the Year and Audit Committee of the Year awards at the 2013 Institute of Directors Award night at the Shangri-La Hotel on 27 November. The awards were organized by the Thai Institute of Directors Association in collaboration with the Stock Exchange of Thailand, Board of Trade of Thailand, Federation of Thai Industries, Thai Bankers' Association, Thai Listed Companies Association, and Federation of Thai Capital Market Organizations. The awards were given as an acknowledgement of the excellent work put into establishing and implementing good corporate governance by the Board and the Audit Committee over the past year. Indorama Ventures has only been listed in the Stock Exchange of Thailand since February 2010.



December 4, 2013

AlphaPet Inc. received the Certificate of Excellence in Food Safety Practices. This certificate recognizes that the facility was found in an audit by ASI Food Safety Consultants to have a high level of food safety, exemplified by excellent conditions and programs for food safety management.



December 10, 2013

PT.Indorama Ventures Indonesia received the award "PROPER PERINGKAT BIRU" (BLUE) for period 2012 up to 2013 for environment performance. PROPER stands for the Company's Environment Performance Rating Program which is managed by the Indonesian Environment Ministry.



December 12, 2013

Ms. Piyanan Panyayong representing Indorama Holdings Limited received Certification of having met the Standard on Prevention and Solutions to Drug Problems in the Establishment from Mr. Thanakom Jongjira, Lopburi Governor.



December 20, 2013

Indorama Ventures Public Company Limited was ranked in the Top 75 for investor relations in South East Asia is based on an independent survey by IR Magazine.

LRQA Assurance Statement

Relating to Indorama Ventures Public Company Limited's environmental and social indicators within the Sustainability Report for the calendar year 2013

This Assurance Statement has been prepared for Indorama Ventures Public Company Limited in accordance with our contract but is intended for the readers of this Report.

Terms of Engagement

Lloyd's Register Quality Assurance Ltd. (LRQA) was commissioned by Indorama Ventures Public Company Limited (IVL) to provide independent assurance on the environmental and social indicators within its Sustainability Report 2013 ("the Report") to a limited level of assurance using LRQA's verification procedure. LRQA's verification procedure is based on current best practice and uses the principles of AA1000AS (2008) - Inclusivity, Materiality, Responsiveness and Reliability of performance data and processes defined in ISAE3000.

Our assurance engagement covered operations and activities of IVL's seven subsidiary companies in Rayong, Lopburi and Nakhonpathom Provinces, Thailand, and specifically the following requirements:

- Evaluating the reliability of data and information for the selected environmental and social indicators:
 - direct energy consumption by primary energy source (EN3)
 - indirect energy consumption by primary source (EN4)
 - total weight of waste by type and disposal method (EN 22)
 - rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region (LA7), and
 - average hours of training per year per employee by gender (LA10)
- Reviewing whether the selected environmental and social indicators within the Report have taken account of GRI G3.1's Sustainability Reporting Guidelines
- Checking that the Report covers all of IVL's significant environmental and social issues to enable stakeholders to assess IVL's performance.

Our assurance engagement excluded operations and activities of IVL's own facilities and its subsidiary companies, other than indicated above, and the data and information of its suppliers, contractors and any third-parties mentioned in the Report.

LRQA's responsibility is only to IVL. LRQA disclaims any liability or responsibility to others as explained in the end footnote. IVL's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the Report and for maintaining effective internal controls over the systems from which the Report is derived. Ultimately, the Report has been approved by, and remains the responsibility of IVL.

LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that IVL has not:

- Met the requirements above
- Disclosed reliable performance data and information for the selected environmental and social indicators
- Covered all the environmental and social issues that are important to the stakeholders and readers of this Report.

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the Verifier.

Note: The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites.

LRQA's Approach

LRQA's assurance engagements are carried out in accordance with LRQA's verification procedure. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Assessing IVL's approach to stakeholder engagement to confirm that issues raised by stakeholders were captured correctly. We did this by reviewing documents and associated records.

- Reviewing IVL's process for identifying and determining material issues to confirm that the right issues were included in their Report. We did this by benchmarking reports written by IVL and its peers to ensure that sector specific issues were included for comparability.
- Auditing IVL's data management systems to confirm that there were no significant errors, omissions or mis-statements in the Report. We did this by reviewing the effectiveness of data handling procedures, instructions and systems, including those for internal verification. We also spoke with those key people responsible for compiling the data and drafting the Report.
- Visiting eight facilities of IVL's seven subsidiary companies located in Rayong, Lopburi and Nakhonpathom Provinces, Thailand to sample evidence for the selected environmental and social indicators to confirm its reliability.
Note: LRQA did not verify the data back to its original sources, nor did it assess the accuracy and completeness of the data reported by individual locations.

Observations

Further observations and findings, made during the assurance engagement, are:

- **Stakeholder Inclusivity:**
We are not aware of any key stakeholder groups that have been excluded from IVL's stakeholder engagement process. IVL has stakeholder engagement processes which collect the views and expectations of stakeholders. Stakeholders' concerns are then considered by IVL when setting their sustainability strategies and roadmap. However in order to prepare for G4 reporting, ensure that the supply chain is included in stakeholder engagements.
- **Materiality:**
IVL has processes in place for identifying and evaluating their material issues which are determined by a set of risk criteria. We are not aware of any material issues concerning IVL's environmental and social performance that have been excluded from the Report. However, we believe that future Reports should disclose detailed accounts of IVL's management approach to address material issues, particularly on climate change and spillage. The accounts of the management approach should also disclose the challenges and progress made in performance.
- **Responsiveness:**
Although IVL has processes and communication channels in place to respond to stakeholders, we believe that future Reports should explain in detail how IVL engages with its different stakeholder groups; for example – subcontractors working at each facility. This detail should also explain how each stakeholder group relates to IVL's sustainability strategies.
- **Reliability:**
Although each subsidiary company of IVL has its own established data management systems, implementation of these systems is variable. IVL should consider establishing comprehensive reporting procedures for data collection, quality assurance, control and security processes, and communication protocols between each subsidiary company and IVL's head-office, where all data is consolidated.

LRQA's competence and independence

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

This verification is the only work undertaken by LRQA for IVL and as such does not compromise our independence or impartiality.

Signed:

Dated: 21 March 2014



Nit Tanasuthiseri
LRQA Lead Verifier
On behalf of Lloyd's Register Quality Assurance Ltd.
Lloyd's Register International (Thailand) Limited, 14th Floor, Sirinrat Building, 3388/46 Rama IV Road
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LRQA Reference: BGK6019321

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About this report

IVL has prepared the Sustainability Report 2013 in accordance to Sustainability Reporting Guidelines of Global Reporting Initiative Generation 3.1 (GRI G3.1) Level B+.

The Sustainability Report 2013 covers performance occurred during the 12 month-period of 2013 calendar year. The report is prepared in accordance to Sustainability Reporting Guidelines of Global Reporting Initiative Generation 3.1 (GRI G 3.1). We issue Sustainability Report on an annual basis. Our 2012 Sustainability Report is available on our website.

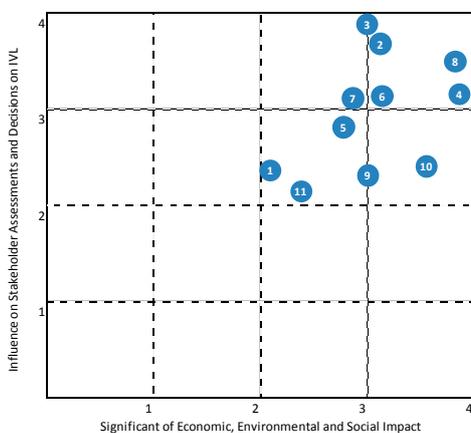
Report Content

IVL conducts materiality assessment as a method to screen the contents that are significant to IVL's business operation and stakeholder's decision making in economic, environmental and social aspects. GRI principles on defining report content is applied. The process consists of 3 steps including:

- 1. Content Selection:** the process involves the analysis and identification of sustainability related issues. Topics of significance to IVL's business strategy and operation in the economic, environmental and social aspects are identified based on the level of risk and possible impacts to IVL's sustainable growth. Furthermore, stakeholders' points of views from stakeholder engagement process are used as inputs to identify the issues that are important for the stakeholders.
- 2. Materiality Assessment:** by combining IVL's and stakeholders' significant issues, IVL is able to identify the issues and group them into broader aspects to represent material aspects for both IVL and stakeholders. The materiality assessment also enables IVL to prioritize significant aspects that are needed to be managed and IVL reports these aspects in the Sustainability Report. The results of the materiality assessment taking into account IVL's and stakeholder's issues, are used to prepare materiality matrix specifying the aspects that are matters. Please see below for the materiality matrix.
- 3. Internal Control and External Assurance:** IVL chief of sustainability to approve the identified contents and provided guidance or comments to improve the content selection process. To achieve GRI Level B+, five (5) performance data are verified by the external assurance for eight (8) factories in Thailand only (page 82-83).

Acquisitions and Divestments

- No significant acquisition and divestment that would alter the performance data presented in the previous report. Materiality Matrix



1. Good corporate governance and ethics
2. Innovation for sustainable future
3. Customer-centric relationship management
4. Safe and clean operations
5. Recycling
6. Waste reduction
7. Resource reuse
8. Renewable energy
9. Employee development
10. Stakeholder engagement
11. Local community development

Scope of Reporting

The boundary of reporting covers factories with IVL's operational control. Unless otherwise stated, the boundary excludes joint-ventures, subsidiaries, and partners and contractors. Verified data is limited to factories in Thailand only. The measurement methods for the data shown in this report remain the same as in 2012 report and are more systematic. However, IVL is the global company, facilities in different countries may have different approach in data collection, IVL is in the process of improving the data collection system to make it consistent throughout the organization. IVL is committed to expand the scope of reporting in the future.

Feedback on this report

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GRI Content Index

Level of Reporting: ● = Fully reported ▶ = Partially reported ○ = Not reported

Profile	Description	Level of Reporting	Location of disclosure	Comments
1. Strategy and Analysis				
1.1	Statement from the most senior decision-maker of the organization.	●	3, 5	
1.2	Description of key impacts, risks, and opportunities.	●	13-14	

2. Organizational Profile				
2.1	Name of the organization.	●	6	
2.2	Primary brands, products, and/or services.	●	7-8	
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	●	10-11	
2.4	Location of organization's headquarters.	●	6	
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	●	12-13	
2.6	Nature of ownership and legal form.	●	6	
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	●	7-9	
2.8	Scale of the reporting organization.	●	6-8	
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	●	12-13	
2.10	Awards received in the reporting period.	●	74-81	

Profile	Description	Level of Reporting	Location of disclosure	Comments
3. Report Parameters				
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	●	84	
3.2	Date of most recent previous report (if any).	●	84	
3.3	Reporting cycle (annual, biennial, etc.)	●	84	
3.4	Contact point for questions regarding the report or its contents.	●	85	
3.5	Process for defining report content.	●	55-56, 84	
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	●	85	
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	●	85	
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	●	85	
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	●	68-73	

Profile	Description	Level of Reporting	Location of disclosure	Comments
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g. mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	●	85 measurement methods remain the same	
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	●	No significant change	
3.12	Table identifying the location of the Standard Disclosures in the report.	●	86-99	
3.13	Policy and current practice with regard to seeking external assurance for the report.	●	82-83	

4. Governance, Commitments, and Engagement				
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	●	18	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	●	15	
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	●	17	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	●	21	
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	●	19	

Profile	Description	Level of Reporting	Location of disclosure	Comments
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	●	19, 21	
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	●	19	
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	●	6, 21	
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	●	20-21	
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	●	19	
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	●	20	
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	●	19, 21	

Profile	Description	Level of Reporting	Location of disclosure	Comments
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	●	59	
4.14	List of stakeholder groups engaged by the organization.	●	55-56	
4.15	Basis for identification and selection of stakeholders with whom to engage.	●	55	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	●	55-56	
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	●	55-59	

STANDARD DISCLOSURES

Economic				
Profile	Description	Level of Reporting	Location of disclosure	Comments
DMA EC	Disclosure on Management Approach - Economic	●	14-15, 51, 60	
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	●	51	
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	▸	45	
EC3	Coverage of the organization's defined benefit plan obligations.	●	51	
EC4	Significant financial assistance received from government.	●	69	

Profile	Description	Level of Reporting	Location of disclosure	Comments
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	▶	51 Ratios of standard entry level wage compared to local minimum wage is available but not by gender	
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	○	-	
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	○	-	
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	●	60-67	
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	●	60-67	

Environmental				
Profile	Description	Level of Reporting	Location of disclosure	Comments
DMA EN	Disclosure on Management Approach - Environment	●	35-36, 40, 42-43, 45	
EN1	Materials used by weight or volume.	●	36, 70	
EN2	Percentage of materials used that are recycled input materials.	○	-	
EN3	Direct energy consumption by primary energy source.	●	68, 70	
EN4	Indirect energy consumption by primary source.	●	68, 70	
EN5	Energy saved due to conservation and efficiency improvements.	○		Only some examples of energy efficiency initiatives are demonstrated in page 41
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	▶	41	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	▶	41	
EN8	Total water withdrawal by source.	●	42, 70	

Profile	Description	Level of Reporting	Location of disclosure	Comments
EN9	Water sources significantly affected by withdrawal of water.	○	-	
EN10	Percentage and total volume of water recycled and reused.	●	43, 70	
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	●	12 All of IML operating sites are located in designated industrial areas or zones that are not adjacent to any protected area of area of high biodiversity value and thus we do not have any direct impact on the areas.	
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	○	-	
EN13	Habitats protected or restored.	○	-	
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	●	AR 2013 page 194	
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	○	-	
EN16	Total direct and indirect greenhouse gas emissions by weight.	●	70	
EN17	Other relevant indirect greenhouse gas emissions by weight.	○	-	
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	▶	40	
EN19	Emissions of ozone-depleting substances by weight.	○	-	
EN20	NOx, SOx, and other significant air emissions by type and weight.	●	70	
EN21	Total water discharge by quality and destination.	○	-	

Profile	Description	Level of Reporting	Location of disclosure	Comments
EN22	Total weight of waste by type and disposal method.	●	68, 70-71	
EN23	Total number and volume of significant spills.	●	70	
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	●	71	
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	○	-	
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	●	8, 63	
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	○	-	
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	●	In 2013, there was no fine and no incident of non-compliance with environmental laws and regulations	
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	●	8 Secure transportation of raw materials is a key concern for health and safety risk related to the products	
EN30	Total environmental protection expenditures and investments by type.	●	71	

Social: Labor Practices and Decent Work				
Profile	Description	Level of Reporting	Location of disclosure	Comments
DMA LA	Disclosure on Management Approach - Labor Practice	●	46-49, 52-54, 58-59	
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	●	46-47, 59, 69, 72	
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	●	58, 72	
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	●	59	
LA15	Return to work and retention rates after parental leave, by gender.	●	73	
LA4	Percentage of employees covered by collective bargaining agreements.	○	-	
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	○	-	
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	○	-	
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	●	68, 73	
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	●	32	
LA9	Health and safety topics covered in formal agreements with trade unions.	○	-	

Profile	Description	Level of Reporting	Location of disclosure	Comments
LA10	Average hours of training per year per employee by gender, and by employee category.	●	69, 72	
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	●	49, 50	
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	○	-	
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	●	17, 69, 72 There is no minority group category	
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	○	-	

Social: Human Rights

Profile	Description	Level of Reporting	Location of disclosure	Comments
DMA HR	Disclosure on Management Approach - Human Rights	●	46, 54, 57 AR Page 186-187	
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	○	-	
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	○	-	
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	○	-	

Profile	Description	Level of Reporting	Location of disclosure	Comments
HR4	Total number of incidents of discrimination and actions taken.	●	There was no incidents of discrimination in 2013	
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	●	46 As a global company, IVL has a policy to eliminate discrimination, child labor and forced labor and uphold freedom of association and collective bargaining. This applies to all operations and significant suppliers	
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	●	46 As a global company, IVL has a policy to eliminate discrimination, child labor and forced labor and uphold freedom of association and collective bargaining. This applies to all operations and significant suppliers	
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	●	46 As a global company, IVL has a policy to eliminate discrimination, child labor and forced labor and uphold freedom of association and collective bargaining. This applies to all operations and significant suppliers	
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	○	-	
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	●	There is no indigenous people in the areas where IVL operates. Therefore, there was no incident of violations involving rights of indigenous people.	
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	○	-	
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	●	54 There was no case regarding human rights issue through formal grievance mechanism.	

Social: Society				
Profile	Description	Level of Reporting	Location of disclosure	Comments
DMA SO	Disclosure on Management Approach - Society	●	21, 54, 59-60	
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	●	100% of operations implemented local community engagement, impact assessments, and development programs	
SO9	Operations with significant potential or actual negative impacts on local communities.	○	-	
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	○	-	
SO2	Percentage and total number of business units analyzed for risks related to corruption.	○	-	
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	●	100% of employee are trained in organization's anti-corruption policies and procedures during orientation	
SO4	Actions taken in response to incidents of corruption.	●	21	
SO5	Public policy positions and participation in public policy development and lobbying.	●	59 IVL did not participate in public policy development nor lobbying	
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	●	59-60	
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	●	There was no legal actions for anti-competitive behavior, anti-trust, and monopoly practices in 2013	
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	●	In 2013, there was no fine and no incident of non-compliance with regulations	

Social: Product Responsibility				
Profile	Description	Level of Reporting	Location of disclosure	Comments
DMA PR	Disclosure on Management Approach - Product Responsibility	●	8, 27	
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	○	-	
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	●	In 2013, there was no incident of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services	
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	○	-	
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	○	-	
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	●	27	
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	●	8	

Profile	Description	Level of Reporting	Location of disclosure	Comments
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	●	8 In 2013, there was no incident of non-compliance with regulations and voluntary codes concerning marketing communications	
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	●	IVL has customer privacy policy. In 2013, there was no substantiated complaint regarding breaches of customer privacy and losses of customer data.	
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	●	In 2013, there was no fines for non-compliance with laws and regulations concerning the provision and use of products and services	



Statement GRI Application Level Check

GRI hereby states that **Indorama Ventures Public Company Limited** has presented its report "Indorama Ventures Pcl 2013 Sustainability Report" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level B+.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 17 April 2014

A handwritten signature in black ink, appearing to read "Ásthildur Hjaltadóttir".

Ásthildur Hjaltadóttir
Director Services
Global Reporting Initiative



The "+" has been added to this Application Level because **Indorama Ventures Public Company Limited** has submitted (part of) this report for external assurance. GRI accepts the reporter's own criteria for choosing the relevant assurance provider.

The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 10 April 2014. GRI explicitly excludes the statement being applied to any later changes to such material.

Reader's Feedback Survey

Your suggestions will be used as inputs to improve the quality of the Sustainability Report. Please be a part to our development.

1. Please provide personal information.

- Gender Male Female
- Age Less than 20 20-30 31-40
 41-50 51-60 Higher than 60

2. Please specify types of reader's perspective.

- Shareholder/Investor Governmental agency Media
 Supplier Employee Research / Academic institution
 Student NGO Communities surrounding IVL's operation areas
 Other, please specify:.....

3. Please rate your satisfaction in the contents of IVL Sustainability Report 2013.

- | | | | | |
|------------------------------------|--------------------------------------|---------------------------------|------------------------------|---------------------------------------|
| Completeness | <input type="checkbox"/> High | <input type="checkbox"/> Medium | <input type="checkbox"/> Low | <input type="checkbox"/> Dissatisfied |
| Topics | <input type="checkbox"/> High | <input type="checkbox"/> Medium | <input type="checkbox"/> Low | <input type="checkbox"/> Dissatisfied |
| Interestedness | <input type="checkbox"/> High | <input type="checkbox"/> Medium | <input type="checkbox"/> Low | <input type="checkbox"/> Dissatisfied |
| Easy to understand | <input type="checkbox"/> High Medium | <input type="checkbox"/> Medium | <input type="checkbox"/> Low | <input type="checkbox"/> Dissatisfied |
| Report design | <input type="checkbox"/> High | <input type="checkbox"/> Medium | <input type="checkbox"/> Low | <input type="checkbox"/> Dissatisfied |
| Overall satisfaction of the report | <input type="checkbox"/> High | <input type="checkbox"/> Medium | <input type="checkbox"/> Low | <input type="checkbox"/> Dissatisfied |

4. What additional contents would you like to find in IVL Sustainability Report 2014?

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5. Other suggestions.

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Thank you for your cooperation