

**Indorama Ventures – Indovinya**

**Responsible Sourcing Policy**

**for Palm Chain**

**2025**

## Our Commitment

Every day, Indorama Ventures Public Company Limited and its subsidiaries/affiliates (collectively referred to as the “Company”) seeks to fulfill its purpose: **To be a World-Class Sustainable Chemical Company Making Great Products for Society**, and this is cascaded to Indovinya, a Business division of Indorama Ventures, that has as its purpose: **Reimagining Chemistry Together to Create a Better World**, by developing solutions that contribute to society's challenges and operations with less social and environmental impact.

This happens because **the Company have a strong commitment to Sustainability at the core of its business strategy**, in order to bring perennity to the business, guiding all processes and guidelines for an increasingly sustainable company.

In this context, the palm oil (PO), palm kernel oil (PKO) and their derivatives are some of our main raw materials originated from renewable resources and in order to ensure a sustainable consumption and production, **the Company is a member of the RSPO (Roundtable on Sustainable Palm Oil)**. Therefore, our commitment to sourcing PO, PKO and their derivatives is in accordance with NDPE's "**No Deforestation, No Peat and No Exploitation**" practices.

Through this policy, we endeavor to establish partnerships within our value chain, in order to develop solutions that result in responsible sourcing by setting out guidelines and requirements which is applicable for all our PO, PKO and their derivatives suppliers.

We do expect Company's suppliers to work with us in compliance with these requirements attaining continuous improvement regarding palm supply chain activities. See the **Consequences Policy set forth in the Responsible Sourcing Policy**.

## Forest & Peat Conservation

- No development on HCS (High Carbon Stock) forests or HCV (High Conservation Value) areas;
- No development on peat regardless of depth;
- No burning in the preparation of new plantings and replanting;
- Any new development activities must utilize best practice from the principles and criteria of the Roundtable on Sustainable Palm Oil (RSPO);
- Apply RSPO Best Management Practices for existing plantations on peat;
- Work with experts and stakeholders to explore options for peat restoration;
- Expectation for suppliers to follow December 31 -2020 cut – off date;
- No conversion commitment to the use of HCS;
- Accountability Framework initiative recommendations;
- Increase source palm oil, palm kernel oil and derivatives from supply chains which are fully committed to NDPE (No Deforestation, No Peat, No Exploitation) policies and the HCS Approach;

- Invest in the progressive reduction of pollution and emissions, including greenhouse gas emissions associated with existing plantations.

## **No Exploitation**

- Be adhered to recognized international human rights and labor standards as they are also found at **Responsible Sourcing Policy**. Not limited to that policy, but at the core we expect all of our suppliers to respect especially and unconditionally the freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced or compulsory labor; the effective abolition of child labor, the elimination of discrimination in respect of employment and occupation, workers having unrestricted access to their ID cards and passports, provision of written documentation (in their native language) about terms and conditions of work and the employer to bear all fees and costs associated with recruitment and employment;
- Establish an accessible and transparent grievance procedure for workers, individuals, communities and civil society to resolve complaints through an open process. See the **Consequences Policy set forth in the Responsible Sourcing Policy.**;
- Protect the land rights of communities and indigenous people;
- Respect indigenous people and local communities right to free, prior, and informed consent (FPIC) to any activity that may affect their land territories, and resources;
- Engage in a consultative and transparent process for conflict resolution;
- Support the promotion of gender equality in oil palm production and value chain;
- Support the inclusion of smallholders in the palm supply chain in order to promote sustainable agricultural practices by developing the community and small business.

## **Transparency & Supply Chain**

- Report to the Company breaches of this policy and of the expectations set up in this document shall take place on awareness as soon as possible;
- Provide transparency of your palm supply chain that's match the requirements of the Company (currently twice per year) considering traceability of refineries, crushers, plantations connected (directly and indirectly) to your unit operations supplying to the Company together with GPS codes, names and group companies for all levels, Unified Mill list IDs, Unified Crusher IDs, Unified Refinery IDs and Unified plantation IDs;
- Increase the access and transparency into different layers of your palm supply chain according to Company's information needs;
- Encourage suppliers and their 3rd party suppliers to increase transparency of your and their supply chain;
- Cooperate with the Company to verify your compliance to this policy through third party assessments in on-site audits on request.

Indorama Ventures Public Company Limited and its subsidiaries/affiliates encourages working together and believes that a good reputation is a very valuable asset. When we recommend our suppliers follow these practices, together we are contributing to the responsible and sustainable development of our value chain.

If any unethical or illegal compliance issues arise that raise any questions, suppliers have the responsibility to bring them forward. To raise concern, suppliers can make reports to:

[Whistleblower Reporting Channels](#)

Check out our [Whistleblower Policy](#)

## **ANNEX I**

### **INDOVINYA POLICY ON GRIEVANCES IN THE PALM SECTOR**

#### **1. Background**

Responsible and sustainable management in the palm supply chain is a priority for several global companies, including Indovinya. With RSPO-certified facilities, we are committed to ensure that our operations meet the highest standards of sustainability and transparency. In addition, we regularly monitor the traceability of our suppliers' mills and maintain an open channel to record and respond to stakeholder concerns.

We recognize the critical challenges associated with the palm supply chain, including issues such as child labor, forced labor, deforestation, and projects in peatland areas. To proactively address these issues, Indovinya requires all its suppliers to adhere to NDPE (No Deforestation, No Peat, No Exploitation) practices. Failure to comply with these practices may have consequences under our Responsible Sourcing Policy for the Palm Chain.

Our commitment to transparency and accountability includes the implementation of an effective grievance management mechanism designed to enable all stakeholders to raise concerns related to our policies and practices. This process ensures that all reports are investigated in a timely manner and the results are publicly disclosed, thereby strengthening our accountability and commitment to continuous improvement.

By taking a robust approach to grievance management and implementing practices that promote transparency and sustainability, Indovinya reaffirms its commitment to operating in an ethical and responsible manner, contributing to a more sustainable future for all parties involved in our palm supply chain.

#### **2. Objectives**

The purpose of this grievance mechanism is to ensure a robust and transparent process for handling complaints related to our palm supply chain. Our procedure establishes clear guidelines for the investigation, response, and resolution of complaints, promoting an effective and agile approach to addressing potential violations of established policies. By incorporating stakeholder feedback, we seek not only to improve transparency in our supply chain, but also to foster an environment of open and inclusive dialogue. This process aims to ensure that all stakeholders, including customers, suppliers, government organizations and NGOs, can monitor grievances in an accessible manner.

The implementation of this mechanism is also geared towards promoting continuous improvements in palm sourcing practices. We believe that active input from stakeholders is essential to identify areas for improvement and ensure that our policies are enforced effectively. Through proactive engagement with our suppliers and supply chain partners, we work to resolve this grievances and address environmental and social challenges with the necessary commitment.

This grievance mechanism is an integral part of our commitment to a responsible and sustainable supply chain. Not only does it ensure that issues are addressed in a transparent and efficient manner, but it also contributes to the advancement of more responsible practices in the palm industry. By collaborating with our suppliers and other stakeholders, we seek not only to solve immediate issues but also to promote a positive and lasting impact on the global supply chain.

### **3. Scope**

This procedure is applicable to our suppliers of palm chain and derivatives, covering both direct and indirect suppliers, such as traders, refiners, mills, crushers and producers. This grievance mechanism covers the management of grievances related to the implementation of our policies, with an emphasis on the NDPE Commitment and other environmental and social guidelines. This involves recording complaints, taking action to verify allegations and monitoring follow-up actions. Complaints can be submitted through the channels set out in this procedure. In the event of a complaint, the company undertakes to proactively engage with the supplier to discuss the issues raised and resolve the issues in accordance with the established procedure.

### **4. Roles & Responsibilities**

Our Sustainability and Procurement Teams are entrusted with a critical role in overseeing and executing all necessary functions to ensure the effective and successful implementation of our Grievance Procedure. This involves a broad range of responsibilities, including but not limited to:

- **Receiving and Recording Grievances:** Our teams are responsible for receiving grievances from various sources, accurately recording each complaint, and classifying them based on their nature and severity. This includes ensuring that all relevant information is thoroughly documented to facilitate proper review and action.
- **Engaging with the Grievance Raiser:** We are committed to actively engaging with individuals or entities that submit grievances. This engagement involves acknowledging receipt of the grievance, clarifying any details if necessary, and providing updates on the status and progress of the resolution process.
- **Managing Communications:** Effective communication is crucial throughout the grievance process. Our teams handle all correspondence related to grievances, including crafting, and sending response letters to the Focal Points (the person who first received the grievance) of the Grievance Raiser.
- **Monitoring Public Sources:** In addition to addressing direct grievances, our teams actively monitor public sources and platforms related to our suppliers. This proactive approach helps us identify potential grievances that may arise from public feedback, media reports, or other external sources.
- **Investigations:** Once a grievance is received, our team is responsible for initiating a supplier engagement process so that we have more information about the complaint and so that they can develop the right action plan.
- **Ensuring Compliance and Improvement:** Our teams also ensure that the grievance procedure is in compliance with relevant regulations, standards, and best practices. We continuously review and improve our processes to enhance their effectiveness and address any gaps or challenges identified during the grievance handling process.
- **Reporting and Documentation:** Throughout the grievance management process, our teams maintain detailed records and prepare reports. This documentation is essential for transparency, accountability, and continuous improvement.

Our overarching goal is to maintain an active and engaged role in working with suppliers to address and resolve grievances. We are dedicated to ensuring that all grievances are handled with fairness, diligence, and respect, thereby fostering a positive and responsive approach to supplier relations.

## 5. Procedure

a) Grievances can be submitted via email to [suprimentos@br.indorama.net](mailto:suprimentos@br.indorama.net) or Focal Point (Sales Contact, Regulatory Contact, Other).

When submitting a grievance, please ensure that the following information is included

- Full Name
- Name of Organization
- Email Address
- Description: provide a clear and comprehensive description of the issue.
- Evidences: such as a source, name of the company cited in the complaint and mill if any.

Providing contact details is highly recommended as it facilitates communication for clarifying details about the grievance. Issues raised through media and the internet, may also be accepted into the grievance procedure.

### b) Research

An investigation will be conducted on all potential policy breaches to determine if the complaint is related to Indovina's supply chain or not.

### c) Determination

A preliminary decision will be made to decide whether the supplier's conduct justify acceptance of the grievance. That is, whether Grievance is really related to the company or not. If the grievance is accepted, the Procurement Team responsible will notify the Grievance Raiser or Focal Point and engage in further dialogue and investigation with the supplier. If the grievance is not accepted, the responsible will communicate the Grievance Raiser. In both cases, a grievance registration will be carried out in the company's internal tool.

### d) Next Steps

The subsequent steps will be based on the investigation and actions outlined in the grievance procedure, which will include developing an action plan to address the issues identified with the supplier related to the grievance. If it is determined, through the investigation with the supplier, that no action is required, the Grievance Raiser will be updated on the situation.

### e) Action Plan

If the investigation concludes that an action plan is necessary, we will engage the supplier related to develop it. We will monitor the implementation of the plan and update the grievance log at regular intervals. The Grievance Raiser will also be kept informed of this process.

### i) Continuous Improvement

We will analyze our grievance management informations and results to define any necessary changes in our procedure.

### j) Consequences Policy

If for any reason the action plan is not developed or the supplier does not cooperate with information and the resolution of the problem, it may be submitted to the Consequences Policy set forth in the Responsible Sourcing Policy of Indovinya.

## 6. Grievance Process Flow

