

TO SHAPE
MATERIAL
AND **ENERGY**
SOLUTIONS

IN HARMONY

WITH



2021 Report on Human Rights

IRPC Public Company Limited

Message from the President and CEO



IRPC ได้นำหลักสิทธิมนุษยชนมาเป็นส่วนหนึ่งในการจัดทำวิสัยทัศน์ใหม่ขององค์กรเพื่อแสดงถึงความตระหนัก และความมุ่งมั่นนำพาองค์กรไปในทิศทางสร้างการเติบโตควบคู่กับการดูแลชีวิตผู้คนและสิ่งแวดล้อม นอกจากนี้ยังขยายผลองค์ความรู้และแนวปฏิบัติตามหลักสิทธิมนุษยชนไปสู่เครือข่ายพันธมิตรลูกค้าและลูกค้า ด้วยความเชื่อมั่นว่าการดำเนินการตามแนวทางสิทธิมนุษยชนร่วมกันจะสร้างความมั่นคงและเติบโตอย่างยั่งยืนให้กับทั้งองค์กรและประเทศ



ชวลิต ทิพพานิช

ประธานเจ้าหน้าที่บริหารและกรรมการผู้จัดการใหญ่



“IRPC applies human rights principles into a formulation process of new vision to showcase our awareness and commitment to create business growth and, at the same time, care for the people and environment. We also extend our knowledge and practices to suppliers and customers with utmost confidence that by complying to the guideline will bring stability and sustainable growth for both the company and the country”

Mr. Chawalit Tippawanich
President and CEO

Our Commitments

We commit to human rights principles as their common business guidelines entailing all stakeholders, including employees, communities, society, business partners, and suppliers, as well as rights to natural resources and the environment, in order to serve the requirements as follows;

Requirements for our own operations

We will manage and examine the employment to ensure that such actions respect and comply with human rights principles. To this end, prevent violation, remain alert to violation, and refrain from conspiring to violate human rights.

We will treat all employees fairly, hire no illegal labor and refrain from forced overtime work without employees' consent. Refrain from violation or threats of all forms. Establish suitable training and skill development leading to equal opportunities, free of discrimination. Particularly value the rights of individuals that are physically vulnerable including the handicapped and pregnant women. Advocate the exercising of freedom to form labor unions and negotiate or express any gestures by labor unions under labor laws.

In order to support security and safety of individuals and properties, we will conduct OH&S guidelines and prevent violation of human rights principles. Safeguard individuals and properties at and around IRPC Group's sites.

Requirements for our suppliers

We will manage and actively examine the employment and hiring of labor by its business partners in their supply chains to ensure that such actions respect and comply with human rights principles. To this end, prevent violation remain alert to violation, and refrain from conspiring to violate human rights. We will be encouraging our supplier to treat their respective employees, suppliers, and business partners in a way that respects human rights and aligns with international human rights principles, and similarly in their community interactions as stated in our Supplier Code of Conduct. Finally, value such rights of those physically vulnerable, including children, the handicapped, pregnant women, and the elderly.



Our Commitments

Requirements for our business partners

We will take part in encouraging our business partners throughout the supply chains to treat their respective employees, stakeholders, and business partners in a way that respects human rights and aligns with international human rights principles, and similarly in their community interactions. Finally, value such rights of those physically vulnerable, including children, the handicapped, pregnant women, and the elderly. In order to respect customers' rights, we will ensure that customers must receive products and services of high quality and suitable prices under fair terms while taking into account consumer and public safety. We are committed to producing satisfaction and assurance for customers and the consuming public for products and services that are of high quality and safety standards. Finally, establish channels for customers' feedback and complaints on any problematic matters as well as human rights matters.



Requirement for our communities and society

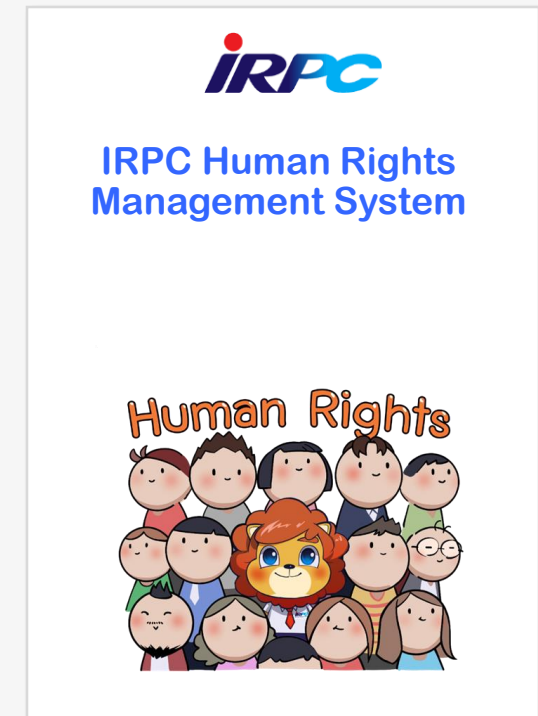
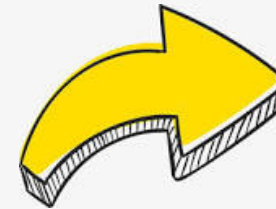
We emphasize on environmental responsibility by the establishment environmental, social and health impact assessment (EIA/HIA) processes. Define preventive measures and compliance with the terms or guidelines imposed by applicable regulators. In addition, we take responsibility to communities and society by striving for healthy local relations while improving communities' quality of life and living conditions and promoting feedback on group businesses that proves constructive to communities, society, and the environment.



IRPC Human Right Management Framework

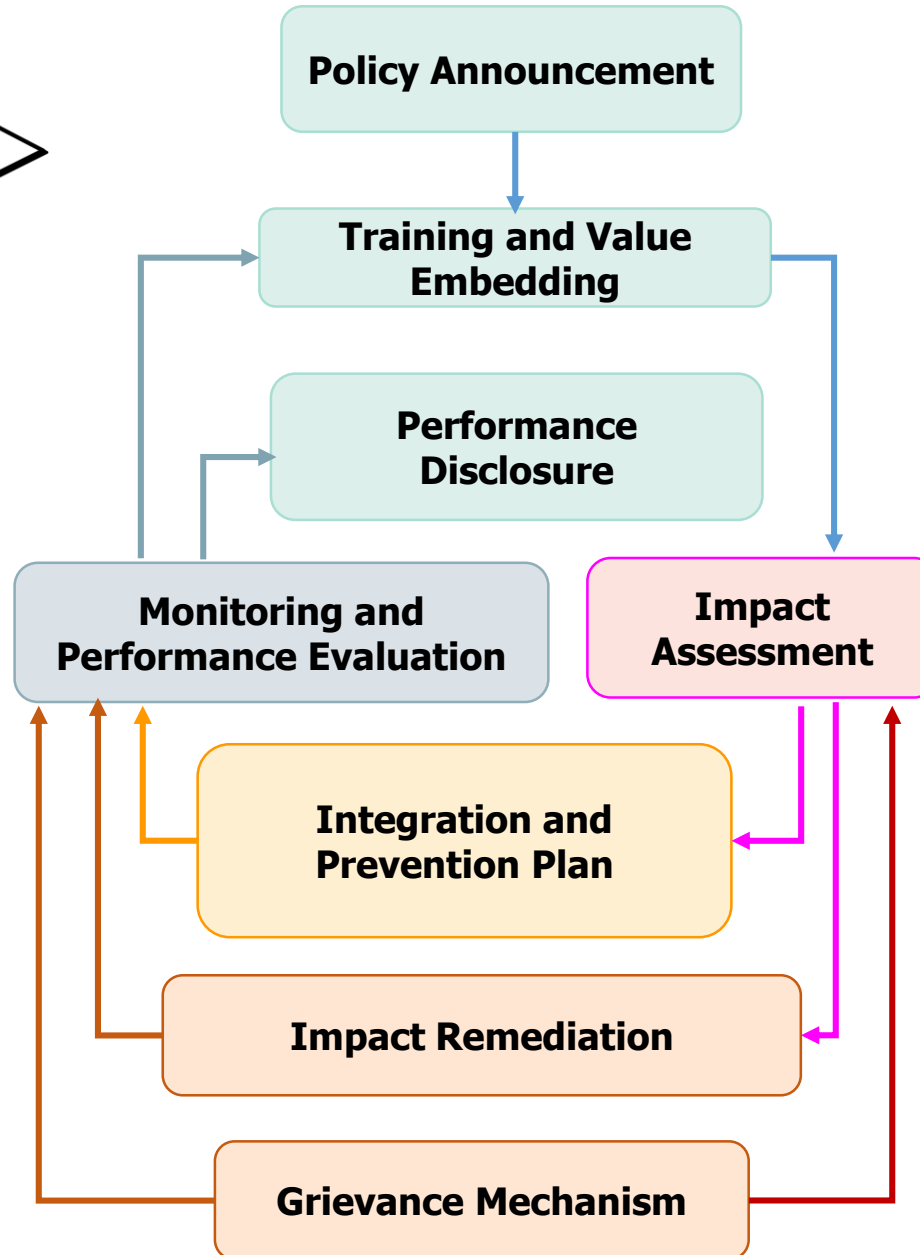


Human Rights was one element in **PTT Group Sustainability Management Framework**, is now developing to Human Rights Management System (HRMS) adopted as a framework for IRPC Group

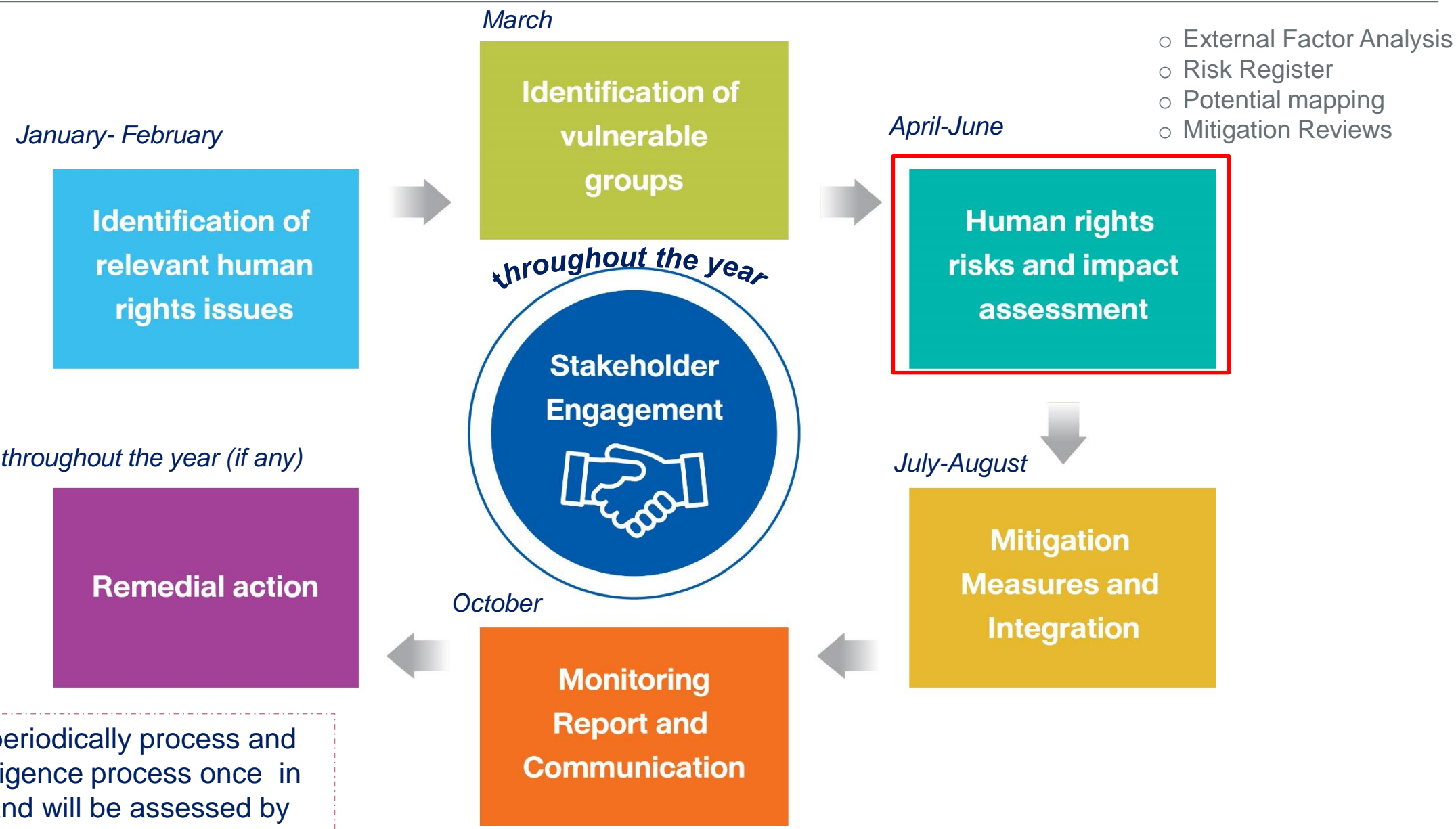


Launched in Q4, 2021

Human Rights Management System



IRPC's Due Diligence Process



IRPC has set periodically process and conduct due diligence process once in annual basis and will be assessed by independent external party every 3 years



Human Rights Risk Assessment (HRRA)

2021 Executive Summary Report

Human Rights Assessment: Overview

- IRPC conducted 2021 Human Rights Risk Assessment (HRRRA) to identify and update risks within IRPC's own operation and related activities, joint ventures (JV), as well as risks throughout the value chain.
- By identifying and updating the risks associated with own operations' value chain activities and the operational sites, and JV at risks of human rights issues, IRPC will be able to develop, implement, re-assess and monitor the mitigation measures to minimize risks from occurring in the future. This also ensure that IRPC's relevant stakeholders, affected rights holders and vulnerable groups are not negatively impacted as a results of the Company's business activities.
- The actual cases of human rights violation which caused negative impacts to relevant stakeholders, affected rights holders and vulnerable groups, can also be properly remediate.
- The HRRRA, for both own operations and JV, were conducted through an independent 3rd party (ERM) to ensure that the process is transparent and effective.

The HRRRA process, as follows:



Human Rights Assessment: 2021 Road Map

Updated IRPC's Human Rights Policy



April



September



November



November - December

- IRPC & ERM develop **Human Rights Management System Guideline** for implementation.

1. **Human Rights Training Session**
2. Conduct **Human Rights Risk Assessment Workshop** by independent third-party (ERM), separated into 3 sessions based on Affected Rights Holders:

- **Employee & Community** (2/9/2021)
- **Customer & Supplier** (7/9/2021)
- **Joint Venture** (9/9/2021)

- Each of IRPC's BUs review and confirm risk rating (i.e. impact & likelihood) in **the updated Risk Register with mitigation/ additional measures** to be implemented to lower risks.



December

- IRPC presents the Human Rights Performance (including % of operational sites with salient issues) to Board Committee.

Scope of Human Rights Impact Assessment



Employees

- Working Conditions
- Health and Safety
- Freedom of Association and Right to Collective Bargaining
- Discrimination/ Harassment
- Illegal Forms of Labor (e.g. child labor, forced labor, trafficking, migrant worker)



Suppliers

- Working Conditions and Health and Safety
- Discrimination of Suppliers



Communities

- Health and Safety
- Livelihood and Standard of Living
- Security Forces
- Forced Resettlement



Customers

- Health and Safety
- Data Privacy



Vulnerable Groups

Scope of Risks Identification

- **IRPC own operation :** operational sites in industrial park, depots, and Bangkok office
- **IRPC Value Chain:** related activities, for example, sourcing, logistics, CRM
- **IRPC's new business relations:** mergers, acquisitions, joint ventures and new business opportunities (start up project) that include Human Rights Risk identification during due diligence process in pre-transaction, contract negotiation, and post-acquisition

"Vulnerable Group"



According to IRPC's Human Rights Policy, IRPC defined "vulnerable group" as groups of people whom potential human rights issues arising from the company's operations or any activities related to the company, in this policy means a **child (person under 18 years of age), person with disability, elderly, women, pregnant women, indigenous people, third-party contracted labor, migrant people and LGBTQI+**



Results of 2021 Human Rights Risk Assessment

IRPC conducted a human rights risk assessment across IRPC group as well as the in-depth value chain throughout its Business Units since 2018. Moreover, in 2021, the public consultation and human rights assessment for all new investment projects has been constantly conducted as well as the impact assessment due to COVID 19 pandemic. IRPC has involved the identification of issues, impacts on rights holders and vulnerable groups, and likelihood of the impacts at the national level in the areas of operations and level of personnel. Assessed groups include employees, children, indigenous people, migrant labor, third-party contracted labor, and local communities.



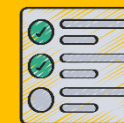
Human rights risk ratings are assessed on two factors which are **Impact** and **Likelihood**.



**100 % of IRPC's
Operation have been
assessed for Human
Rights Risk**



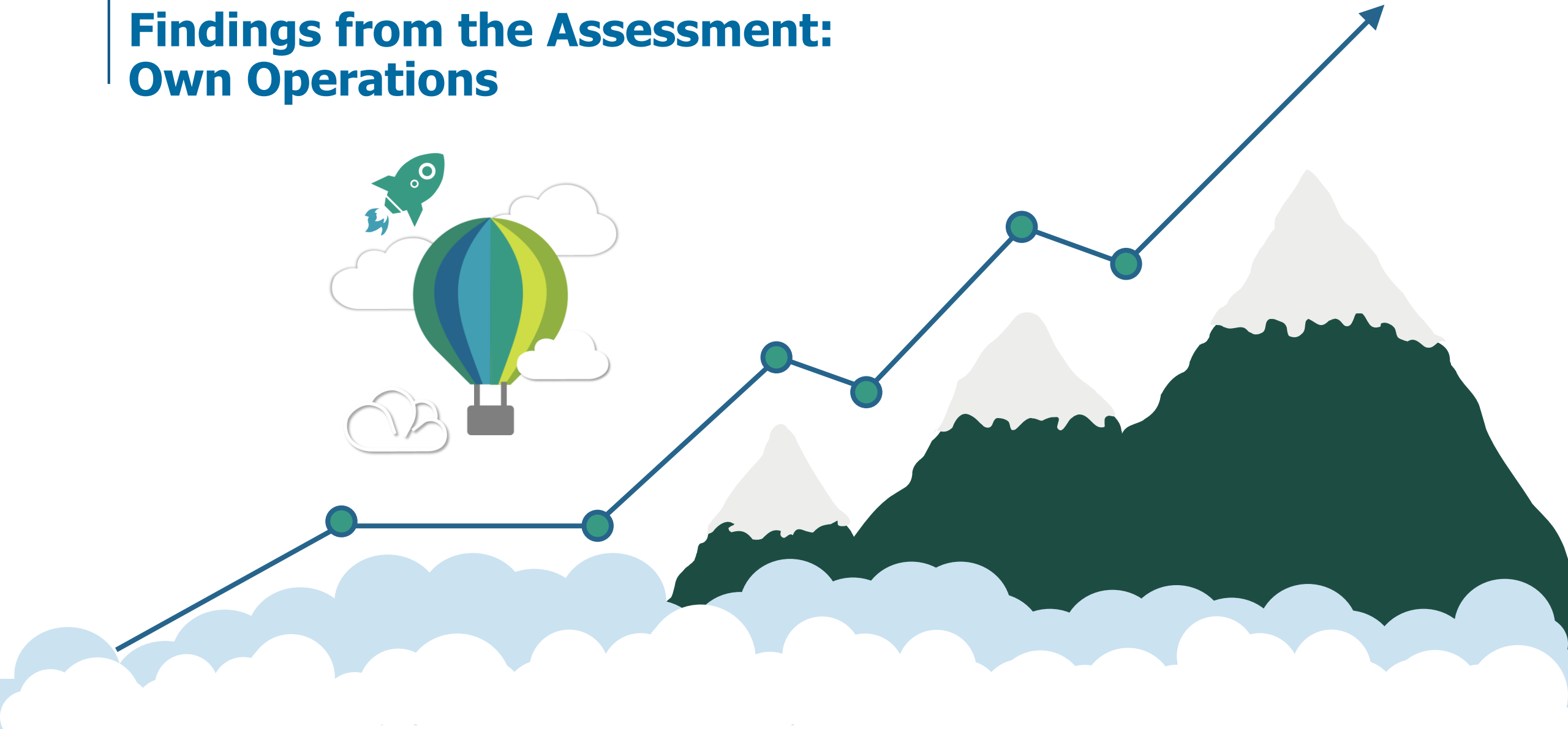
**100 % of Newly invest
projects have been
assessed for Human
Right risk and gone
through public hearing
processes**



**100 % of business, either
IRPC has and has no
operational control
(include business
partner, IRPC holds more
than 10% share) have
been assessed for Human
Right risk**

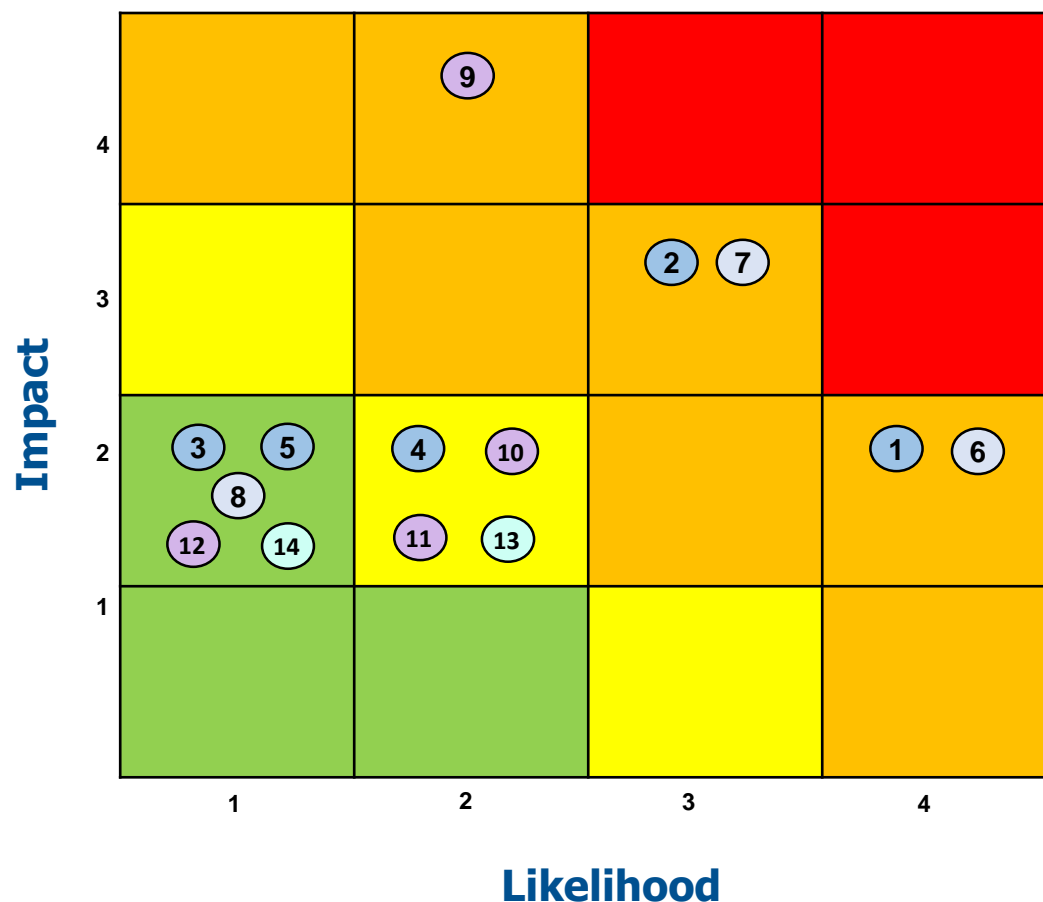
In the overall risk assessment process, IRPC outlines the assessment framework, key issues of human rights risk, success indicators, and measures or action taken. All of which are used to monitor and evaluate the effectiveness of IRPC's human rights initiatives under the framework

Findings from the Assessment: Own Operations



IRPC Human Rights Risk Matrix

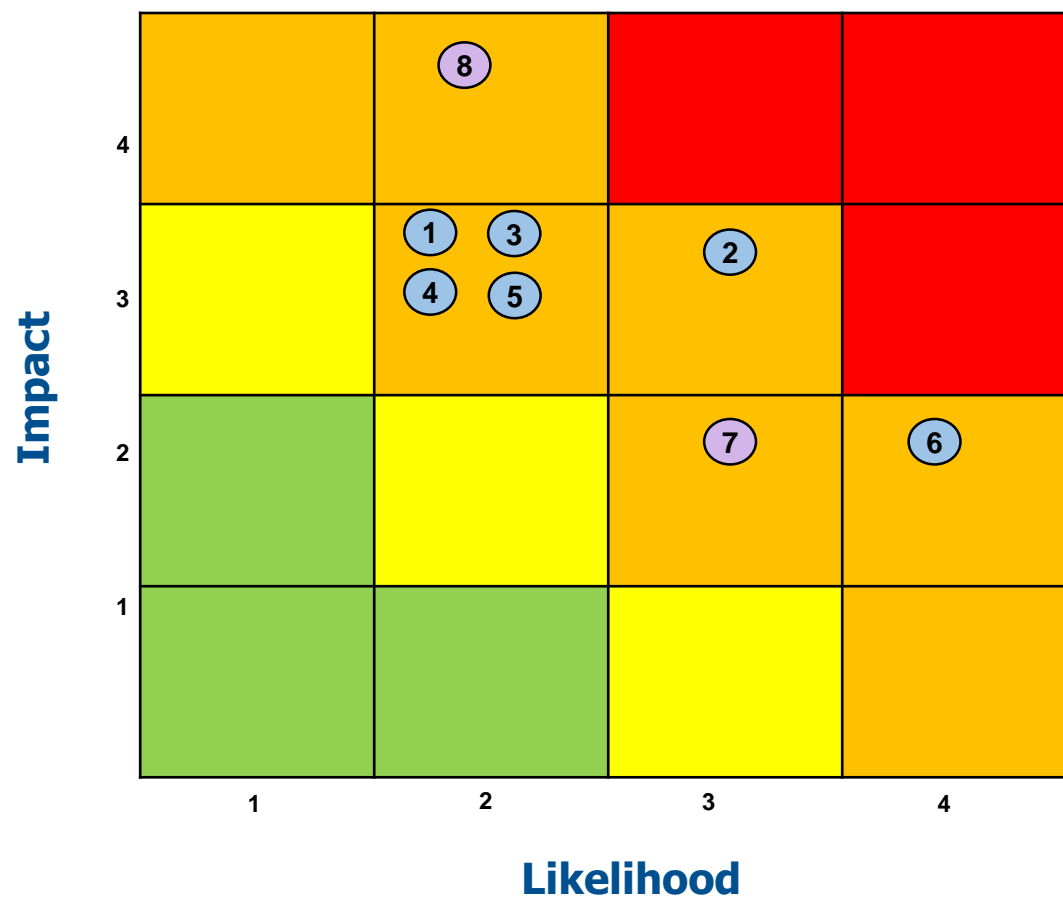
Own Operations (including JVs where IRPC has management control)



#	Human Rights Issues (all human rights issues assessed)
Labour Rights	
1	Employee – Working condition
2	Employee – Health and safety
3	Employee – Freedom of association, assembly and collective bargaining
4	Employee – Discrimination and harassment
5	Employee – Illegal forms of labor
Supplier Rights	
6	Supplier – Working condition
7	Supplier – Health and safety
8	Supplier – Discrimination
Community Rights	
9	Community – Health and safety
10	Community – Livelihood and standard of living
11	Community – Forced resettlement and land acquisition
12	Community – Security management
Customer Rights	
13	Customer – Health and safety
14	Customer – Data privacy

IRPC Human Rights Risk Matrix: Salient Issues

Own Operations (including JVs where IRPC has management control)



#	Human Rights Issues (<i>Salient Issues</i>)
Labour Rights & Supplier Rights	
1	Employee & Supplier - Working condition (IRPC Plc.)
2	Employee & Supplier - Health and safety (IRPC Plc.)
3	Employee & Supplier - Health and safety (IRPC Oil Co.,Ltd.)
4	Employee & Supplier - Working condition (Rakpasak Co.,Ltd.)
5	Employee & Supplier - Health and safety (Rakpasak Co.,Ltd.)
6	Employee & Supplier - Working condition (IRPC Technology Co., Ltd.)
Community Rights	
7	Community - Health and safety (IRPC Plc.)
8	Community - Health and safety (Rakpasak Co.,Ltd.)

Results of 2021 Human Rights Risk Assessment

Own Operations (including JVs where IRPC has management control)

Human Rights Risk Assessment	Human Rights Issues (Salient Issues)	Number and % of total assessed sites where risks have been identified	Number and % of risks with mitigation and/or remediation process implemented	Mitigation plans for risk areas
<ul style="list-style-type: none"> • IRPC Plc. (4 sites) • IRPC Oil Co., Ltd. (4 sites) • IRPC Technology Co.,Ltd. (1 site) • IRPC A&L Co., Ltd. (1 site) • Rakpasak Co., Ltd. (1 site) • iPolymers Co., Ltd. (1 site) 	<ul style="list-style-type: none"> • Working Condition (employee and supplier) • Health and Safety (employee and supplier) • Health and Safety (community) 	<p>10 sites out of 12 sites, accounted for 83.33%</p>	<p>12 sites, total of 100%</p>	<ul style="list-style-type: none"> • IRPC Way of Conduct • Human Rights Impact Assessment Guideline, Human Rights Management Systems, Human Rights Awareness training • COVID-19 War Room Committee • QSSHE Policy for IRPC and its subsidiaries • Fit-for-duty criteria • Process Safety Management • Emergency Response Plan • Social Responsibility Policy • Complaint Management Procedure & Manual • IRPC Whistleblowing Channels and Management Procedure • Anonymous reporting through whistleblower channels

Working Condition

Employee

Supplier

Operational sites with salient issue: IRPC Technology

- **Own Employees/ Teachers** (i.e. men, women, LGBTQI+, people with disability, pregnant women, migrant workers)
- **Suppliers & Contractors in IRPC operations** (i.e. outsource workers/ teachers, third-party contracted labor)

Actual Case(s)

- During workshop, IRPC Technology working team informed ERM that they have received complaints from teachers relating to working hours.
- There were cases where the teaching hours exceed limits (by law) indicated at 20 hours per week max.
- This is because the teaching slots sometimes exceed the hours set per session, though it is not considered OT, as it is still within 8 hours per day.

Description

Employees/Teachers may occasionally experience poor working conditions, such as long working hours, lack of leisure time and lack of days off. For vulnerable groups, this may also include not having proper working environment, facilities and accessibility for people with disability or pregnant women

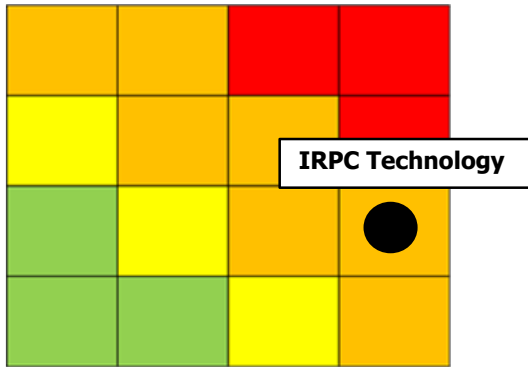
Mitigation Actions

- IRPC Technology provides appropriate compensation for employees/ teachers that works over the limit, such as increase salary.

Additional Measures

- IRPC Technology plans to communicate to employees/ teachers on the various procedures and standards as well as other measures that have been implemented to further minimize any risks related to working hours.
- IRPC Technology may consider installing breastfeeding room following example from IRPC Plc.
- There will be more involvement of Compliance (e.g. internal audit) to ensure the operation is in compliance with laws and regulations.
- IRPC will adjust the employment contract to clearly state the number of slots for each week (limit at 24 slots which is equal to 20 hours) to prevent teachers from working hours that exceed the limit by laws.

Additional Measures are implemented/ in the process of implementing to lower risks to an acceptable level as well as minimizing risks from occurring in the future.



Likelihood

- **Impact = 2**
- **Likelihood = 4**
- **Risk Level = HIGH**

Working Condition

Employee

Supplier

Operational sites with salient issue: IRPC, Rakpasak

- **Own Employees** (i.e. men, women, LGBTQI+, people with disability, pregnant women, migrant workers)
- **Suppliers & Contractors in IRPC operations** (i.e. Suppliers: non-routine work, Outsource workers: routine works)*

Actual Case(s)

- Employees are at risks of working overtime during unplanned or planned turn-around and shut-down.
- There are cases of employees working overtime (exceed limits by laws) resulting from factors such as employee leaving for vacation and putting workload on other employees, or certain employees may want to work OT for extra income.
- *Nonetheless, There are no actual case for suppliers*:*
 - Non-routine Suppliers shall comply with IRPC rules and regulations, and have no potential to violate working hours requirement
 - There are no OT case, that exceed limit by laws, from outsource employees of BSA (does not exceed 36 hours)

Description

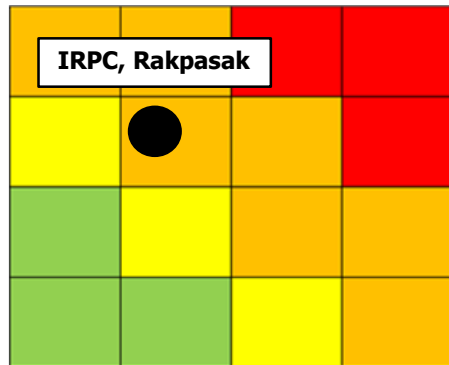
Human rights (i.e. right to enjoy just and favorable conditions of work) may be violated by poor working conditions. Employees may occasionally experience poor working conditions, such as long working hours/ overtime works, lack of leisure time and lack of days off, and lack of compensation for OT. This also includes poor working environment like poor ventilation, and poor lighting infrastructure etc. For vulnerable groups, this may also include not having proper working environment, facilities and accessibility for people with disability or pregnant women.

Mitigation Actions

- Employee Benefits
- Employee Development Program, and Employee Engagement Survey
- Welfare Committee
- IRPC Way of Conduct
- Working-from-home (WFH) Policy, and Flexible working hours
- Human Rights Impact Assessment Guideline, Human Rights Management Systems, Human Rights Awareness training
- Anonymous Reporting via Whistleblowing Channels

Additional Measures

- IRPC plans to establish a clear work plan and process in order to minimize employees working overtime
- IRPC will continue to increase the frequency and implementation on: building awareness and training for supervisors and manager level who are responsible for OT approval.
- IRPC may plan for each functions to increase the number of operators (i.e. as spare) in order to replace absent employees (e.g. on leaves, injured). However, it may not cover all BUs/functions
- Implementing the "iCare management" for communication with employees.
- IRPC Rayong operation will install a breast feeding room for employees that are pregnant women.



Additional Measures are implemented/ in the process of implementing to lower risks to an acceptable level as well as minimizing risks from occurring in the future.

Likelihood

- **Impact = 3**
- **Likelihood = 2**
- **Risk Level = HIGH**

Health and Safety

Employee

Supplier

Description

As health and safety situations from working in Petrochemical and Refinery activities can result in employees' injuries and/or death, human rights related to workers' health and safety (i.e. right to health, right to life) may be violated due to lack of proper OHS training in place.

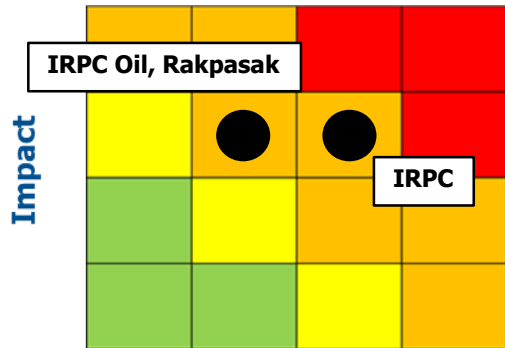
Moreover, during COVID-19 situation, employees risk being infected by this pandemic if the company does not implement mitigation measures to cope with this unexpected circumstance and still constantly require employees to transport and work at operational areas, especially areas with high risk of COVID-19.

Operational sites with salient issue: IRPC , IRPC Oil, Rakpasak

- **Own Employees** (i.e. men, women, LGBTQI+, people with disability, pregnant women, migrant workers)
- **Suppliers & Contractors in IRPC operations** (i.e. Suppliers: non-routine work, Outsource workers: routine works)

Actual Case(s)

- There are some cases related to health and safety accidents of employees and suppliers, occurring in IRPC operations (as demonstrated by the LTIFR)
- Due to the high turnover of employees from outsource company (supplier/ contractor), and the job being a routine operation; this leads to disruption in the implementation process of IRPC measures to outsource employees
- There was a past incident of ship vessels collision, though no employee was injured, it is a potential risk.



Likelihood

- **Impact = 3**
- **Likelihood = 2,3**
- **Risk Level = HIGH**

Mitigation Actions

- Fit-for-Duty criteria (during check-ins)
- One-day Safety-at-Work training
- Compliance Audit
- Complaint Management Procedure & Manual
- Process Safety
- QSSHE Policy for IRPC and its subsidiaries
- Occupational Health and Safety Committee
- Programs to enhance Safety Culture within organization
- Emergency Response Plan
- Maintenance practices
- Corporate KPIs on Occupational Health and Safety and deployed throughout organization (for executives, supervisors, employees)
- Tracking and measuring KPIs and benchmarking with IOGP
- BSM Platform – behavior observation for employees
- SSHE Culture Survey
- COVID-19 War Room Committee
- COVID-19 screening, monitoring and testing, and provision of related PPEs (e.g. face masks, alcohol gel)
- IRPC Whistleblowing Channels and Management Procedure
- Anonymous Reporting via Whistleblowing Channels

Additional Measures

As IRPC's current measures for employee health and safety is effective (as demonstrated by the LTIFR in employees lower than Oil and Gas Industry benchmark). IRPC will continue to monitor and improve the measures to maintain best practices. Likewise, IRPC aims to strengthen the health and safety measures for suppliers through raising awareness, enhance management system and monitoring processes. This includes:

- Continue to train and re-train suppliers' employees or contractors/ sub-contractors related to safety.
- Enhance safety-related training to suppliers and contractors working in IRPC's operational areas.
- Integrate more human rights awareness into training for both employees and suppliers.
- Utilize iCare Management System for communication with employees.

Additional Measures are implemented/ in the process of implementing to lower risks to an acceptable level as well as minimizing risks from occurring in the future.

Health and Safety

Community

Description

Operational sites with salient issue: IRPC, Rakpasak

- **Communities** (Local communities, Men, Women, Pregnant women, LGBTQI+, Elderly, Indigenous people, Children, People with disability)

As petrochemical and Refinery's activities might cause health and safety impacts on communities, such as leakage of dangerous chemical, plant explosion, human rights (i.e. right to health and right to life) may be violated. Moreover, Marine transportation could cause health and safety impacts on communities, such as ship collision between the company's ship and local communities' ship. The affected local people could be injured or died. These could lead to the violation of human rights (i.e. right to health and right to life).

Actual Case(s)

- Fire hazard incident (occurred once in 2014) which can be controlled within the facility.
- Explosion incident (occurred 2 times in 2019 and 2020). The incident affected large area and approximately 2-3 people (within the school area, close-by) were injured and had received basic first aid. They did not need to be hospitalized.
- IRPC's ship collide with ferry (occurred once in 2016) leading to death of one person on the ferry (risk prevention measures are established afterwards). Despite court decide that the ferry is in the wrong, IRPC has taken remediation actions and visited injured people

Mitigation Actions

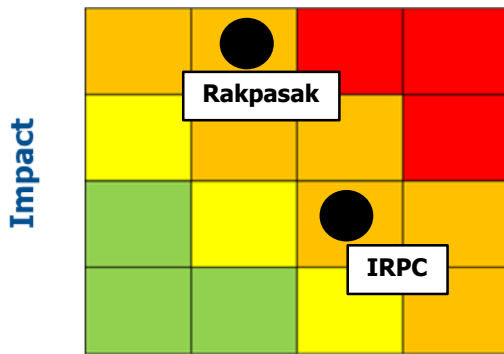
- EIA Monitoring Process
- Process Safety
- QSSHE Policy for IRPC and its subsidiaries
- Occupational Health and Safety Committee
- Programs to enhance Safety Culture within organization
- Compliance, Safety, Internal Audit
- Maintenance practices
- SSHE Culture Survey
- Disciplinary Actions/ Escalation Process
- Emergency Response Plan
- Public Participation Procedures
- Social Responsibility Policy, CSR Strategy
- Community Satisfaction Survey
- Complaint Management Procedure & Manual
- COVID-19 War Room Committee
- NSW system to inform when ship/tanker is entering or leaving area
- Compliance with MARPOL regulations (that are up to safety standards and reduce pollution), with double-hull tanker
- IRPC Whistleblowing Channels and Management Procedure
- Anonymous Reporting via Whistleblowing Channels

Additional Measures

The Risk Assessment were based on the past cases/incidents regarding health and safety of communities. Since the incident had occurred, IRPC has implemented various measures to prevent the incidents from occurring in the future. It has proven to be effective and (as of 2021, no incidents have occurred again)

Therefore, IRPC will continue to monitor the implemented measures as well as re-assessing existing measures to ensure that it is still effective and most-updated with current standards, and regulations.

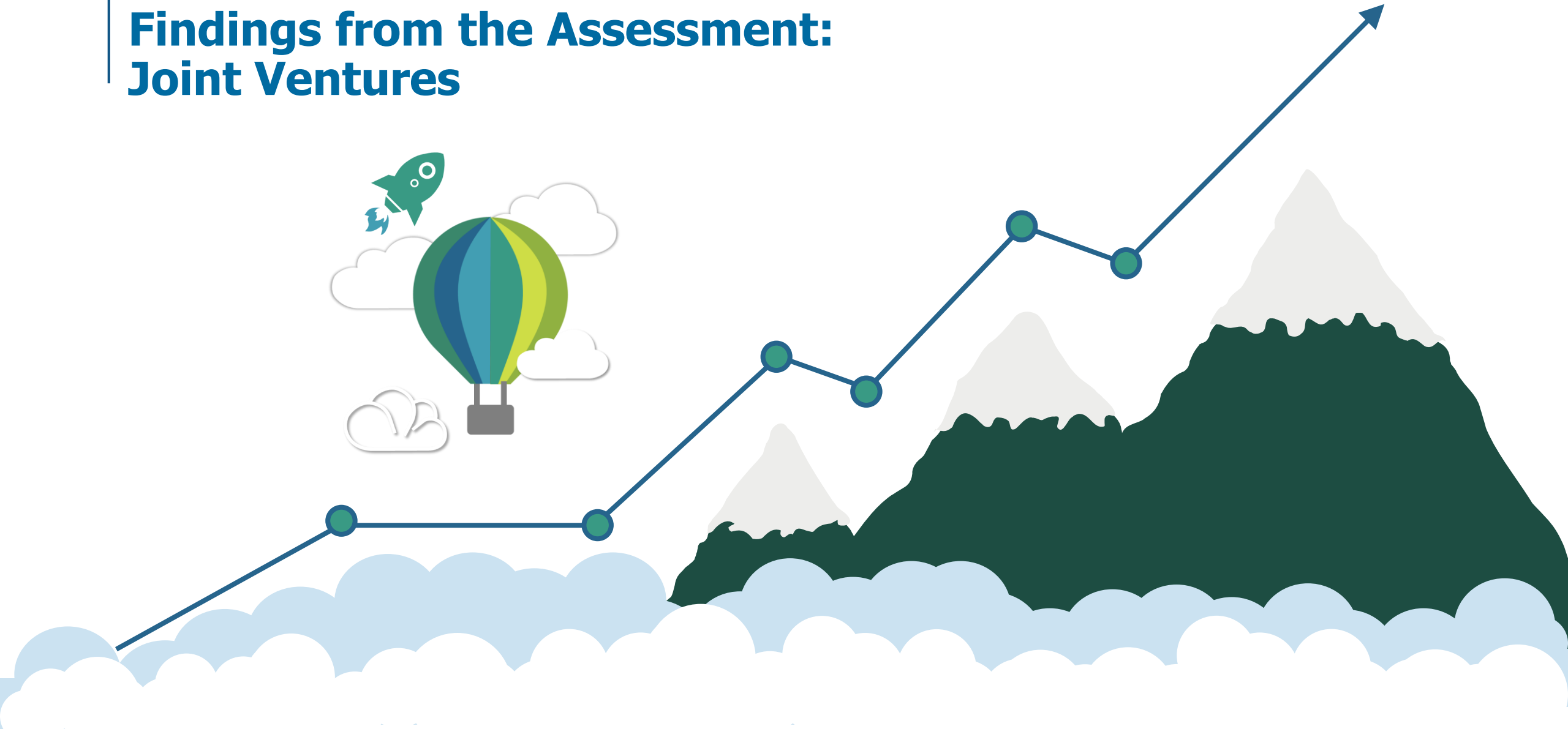
Additional Measures are implemented/ in the process of implementing to lower risks to an acceptable level as well as minimizing risks from occurring in the future.



Likelihood

- **Impact = 2,4**
- **Likelihood = 2,3**
- **Risk Level = HIGH**

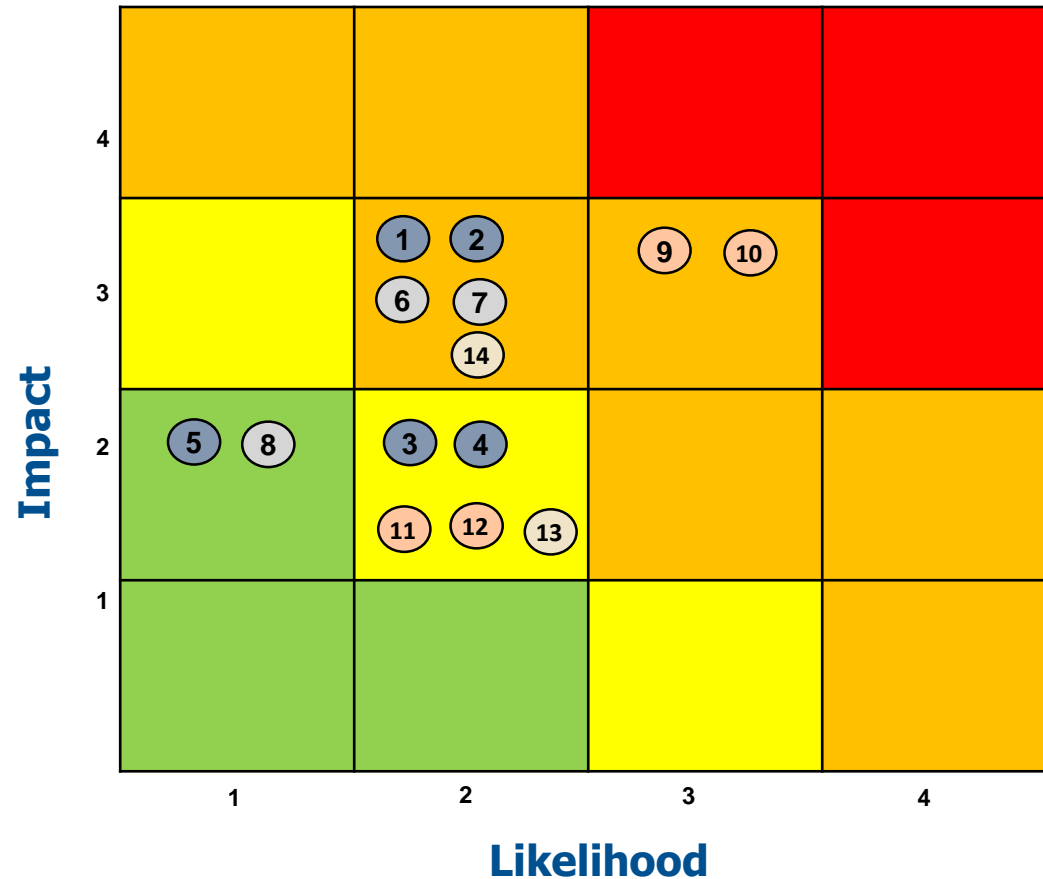
Findings from the Assessment: Joint Ventures



IRPC Human Rights Risk Matrix



Joint Ventures (JV) with no management control (incl. stakes above 10%)

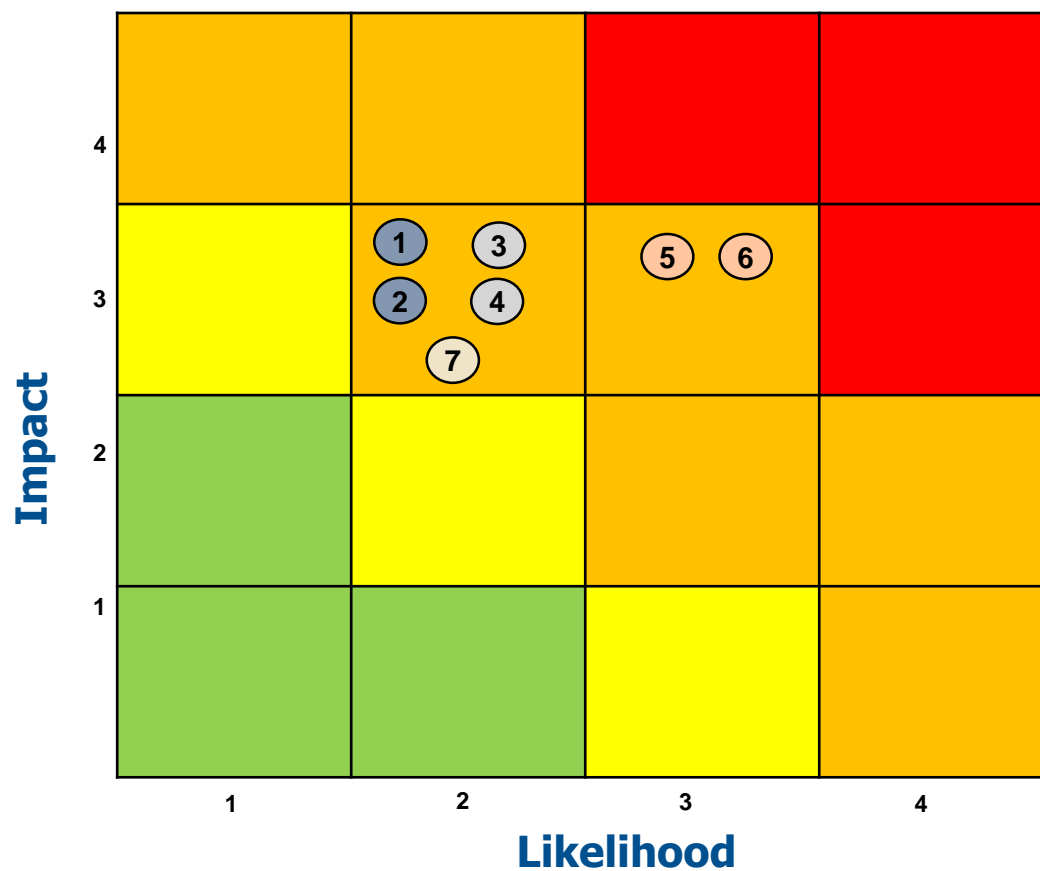


#	Human Rights Issues (all human rights issues assessed)
Labour Rights	
1	Employee – Working condition
2	Employee – Health and safety
3	Employee – Freedom of association, assembly and collective bargaining
4	Employee – Discrimination and harassment
5	Employee – Illegal forms of labor
Supplier Rights	
6	Supplier – Working condition
7	Supplier – Health and safety
8	Supplier – Discrimination
Community Rights	
9	Community – Health and safety
10	Community – Livelihood and standard of living
11	Community – Forced resettlement and land acquisition
12	Community – Security Management
Customer Rights	
13	Customer – Health and safety
14	Customer – Data privacy

Note: Salient Issues appear on all JVs except WHA Industrial Estate Rayong

IRPC Human Rights Risk Matrix: Salient Issues

Joint Ventures (JV) with no management control (incl. stakes above 10%)



#	Human Rights Issues (<i>Salient Issues</i>)
Labour Rights	
1	Employee – Working condition
2	Employee – Health and safety
Supplier Rights	
3	Supplier – Working condition
4	Supplier – Health and safety
Community Rights	
5	Community – Health and safety
6	Community – Livelihood and standard of living
Customer Rights	
7	Customer – Data privacy

Note: Salient Issues appear on all JVs except WHA Industrial Estate Rayong

Results of 2021 Human Rights Risk Assessment

Joint Ventures (JV) with no management control (incl. stakes above 10%)

Human Rights Risk Assessment	Human Rights Issues (Salient Issues)	Number and % of total assessed sites where risks have been identified	Number and % of risks with mitigation and/or remediation process implemented	Mitigation plans for risk areas/ Recommendations
<ul style="list-style-type: none"> • IRPC Clean Power Co., Ltd. • IRPC Polyol Co., Ltd • Mytex Polymers (Thailand) Co., Ltd • Vajira Lab for Society Co., Ltd • Innopolymed Co., Ltd • WHA Industrial Estate Rayong 	<ul style="list-style-type: none"> • Working condition (employee) • Health and safety (employee) • Working condition (supplier) • Health and safety (supplier) • Health and safety (community) • Livelihood and standard of living (community) • Data privacy (customer) 	<p>5 joint ventures out of 6 joint ventures, accounted for 83.33%</p>	<p>6 joint ventures, total of 100%</p>	<div data-bbox="1528 525 2084 571" style="background-color: #003366; color: white; padding: 5px;">Mitigation Actions</div> <ul style="list-style-type: none"> • Deploy IRPC policies to Joint Ventures in the form of "directive governance" • A Procedure to assess human rights issues in businesses before making an investment decision is available; through Board of Directors • Way of Conduct at the policy level, indicating policy deployment guidelines over Joint Ventures. • Obligate to provide solutions to incidents with their Joint Ventures coordinately, according to the reporting mechanism to inform IRPC through committee's representative <div data-bbox="1528 949 2084 995" style="background-color: #006666; color: white; padding: 5px;">Recommendations</div> <ul style="list-style-type: none"> • Communicate the WOC on human rights issues to Joint Ventures • Establish governance measures and criteria for Joint Ventures to implement the human rights policy • Establish a monitoring process with a systematic record and a focal point, besides the pre-decision-making process on investment • Add a periodic review process to recommended monitoring process to indicate additional measures; which human rights issues shall be raised from an existing report, such as Health and Safety report