

Tax Strategy

Indorama Ventures' tax strategy is based on our tax principles. A coherent and responsible position on tax is an essential element of our sustainability strategies. Indorama Ventures considers the taxes it pays a contribution to the communities in which it operates. This is an integral part of Indorama Ventures' sustainability strategy and its social responsibilities. Indorama Ventures lays emphasis on the following:

Governance, statutory compliance and risk management:

Indorama Ventures has a robust governance process and tax policy that is assessed and approved by the Group's Chief Financial Officer, who is also a Member of the Board of Directors. We have policies to comply with the letter as well as the spirit of applicable tax laws. Tax payments and tax filings are made on their respective due dates. Adequate internal and external resources are employed to ensure that tax obligations are properly understood. Training is also organized to ensure internal competency regarding tax matters. Our tax policy encourages advance rulings from tax authorities and/or opinions from reputable advisors on all important issues to mitigate uncertainty. We accurately prepare and maintain records in accordance with applicable GAAPs and other standards where we operate our businesses. We manage tax risks to ensure that key risk areas are monitored, and material risks are minimized. The Audit Committee reviews the Company's tax strategies and risks as well as internal controls and governance with respect to tax functions.

Accounting and disclosures:

Indorama Ventures is in compliance with standards on tax accounting and disclosures. Our policy not only encourages transparency with investors, auditors and tax authorities, but also aims to build trust with our stakeholders and society.

Tax optimization and Transfer Pricing policy:

All tax optimization measures are analyzed and implemented if they support our business and adhere with commercial and economic activities. Our tax policy team assesses the legislation that may be introduced in the next couple of years. We do not engage in artificial tax arrangements in tax haven jurisdictions to avoid taxes and ensure that the value we create through our operations is not artificially shifted to low-tax jurisdictions. Further, profit is allocated to countries in which value is created, in accordance with domestic and international rules and standards (such as the OECD guidelines).



Indorama Ventures aims to comply with the arm's length principle, which was introduced under the OECD's Transfer Pricing guideline and relevant Base Erosion & Profit Shifting ("BEPS") Action plans, whereby the pricing and remuneration between related parties are set based on functions undertaken, risks assumed, and assets utilized by each party. In addition, we conform to the Transfer Pricing laws and regulations of the local countries where Indorama Ventures companies have a business presence. We also prepare Transfer Pricing documentation and comply with any reporting requirements where they are applicable to our group companies, including Local Files, the Master File, and Country-by-Country Reporting as well as notifications.

We are in compliance with Action 13 of BEPS Country-by-Country reporting (CbCr).

Tax Transparency:

Through a robust governance process and tax policy, Indorama Ventures operates with full transparency towards tax authorities and ensures that all our tax obligations are understood and fulfilled.

To achieve this, we engage in an open and constructive dialogue with tax authorities to maintain transparency and endeavor to seek advanced rulings from tax authorities, as far as possible or input from reputable advisors to mitigate uncertainty regarding our tax obligations. Indorama Ventures aims to enhance clarity and upfront certainty around tax. By being transparent, our tax policy helps us build trust with our stakeholders and society.

Investment structure:

The regulations of investment holding jurisdictions are properly understood. Our investment structure ensures that we do not engage in tax avoidance by being present in tax havens without any commercial and economic substances.

