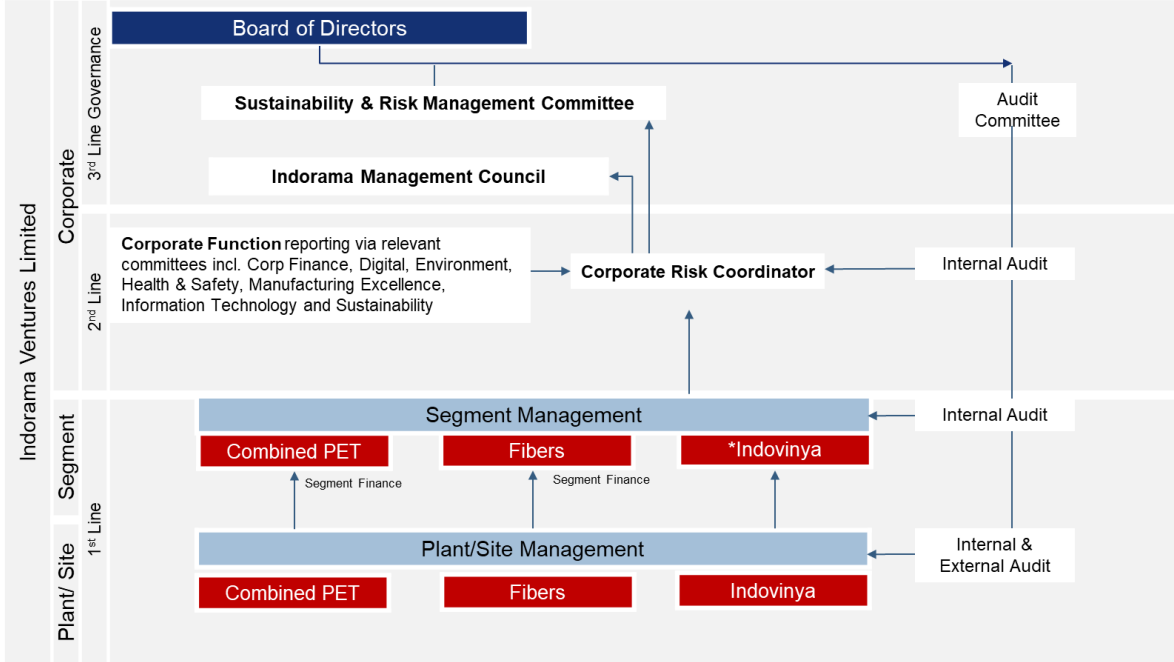


# How we manage risk

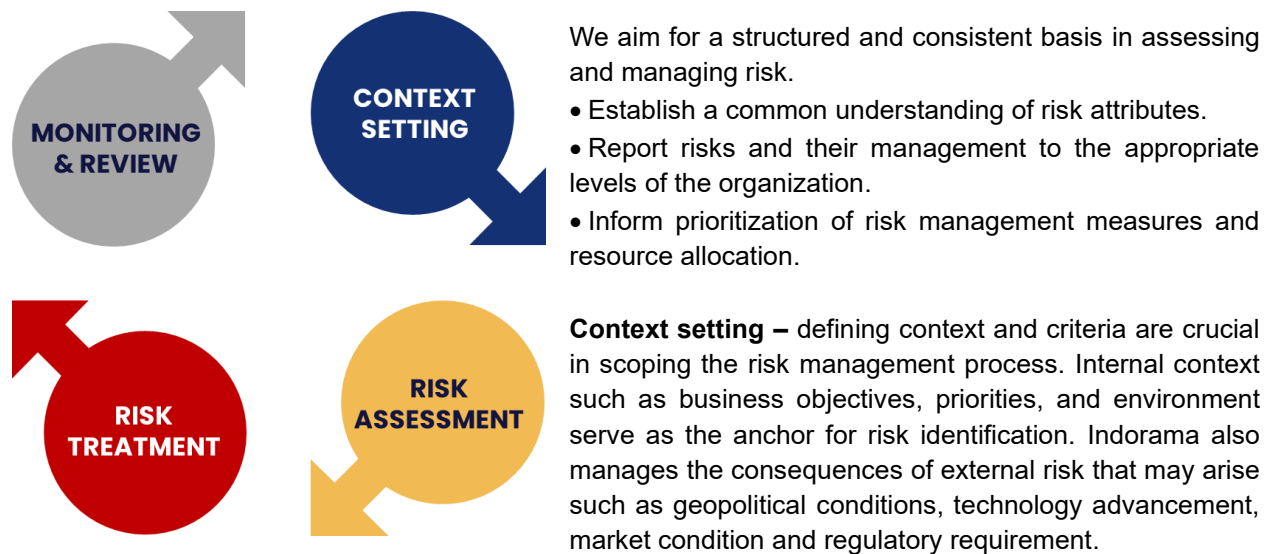
Indorama Ventures manages, monitors, and reports risks and uncertainties we have identified that can impact our ability to meet stakeholder demands and deliver our long-term strategic goals. Our risk management system is designed to be a consistent and clear framework for managing and reporting risks from the group’s business activities and operations which allows us to:

- Understand our risk environment, identify, and assess potential exposure.
- Manage the identified risks in appropriate ways.
- Monitor and seek assurance of the effectiveness of the management of these risks and intervene for improvement where necessary.
- Providing line of sight through reporting up the management chain and board on how top corporate risks are managed and monitored.

## Our Risk Management Governance Structure



## Risk Management Process



**Risk Assessment** – for each identified risk, an assessment of its likelihood and potential impact is made using established criteria providing a consistent basis for evaluation.

**Risk Treatment** – the management response to risk involves both prevention and mitigation measures and maintaining the effectiveness of measures.

**Monitoring & Review** – risks and the effectiveness of risk management measures are monitored at established levels throughout Indorama Ventures. As part of the annual business planning process, risk oversight committees review the top corporate risks.

### Roles and Responsibilities in the Indorama Risk Management Structure Sustainability & Risk Management Committee (SRMC)

- Provides oversight, ensuring that structure and process provides effective risk governance.
- Ensures that activities are aligned with the interests of stakeholders.

### Indorama Management Council (IMC)

- Provides direction on the adequacy of risk controls and resource approvals, if required.

### Corporate Functions

- Accountable for establishing subject matter area risk controls, e.g. standards, guidance, tools. etc.
- Risk custodians of related Top Corporate Risks (TCRs).
- Accountable for assuring that risk controls are delivered by segments as needed.

### Corporate Risk Coordinator

- Custodian of the ERM Framework.
- Coordinates Risk Reporting through to the IMC and SRMC, including TCRs and the Business Risk Management Report.
- Consolidates and prepares the annual Risk Management Report for internal distribution.

**Risk Owners**

- Leaders and Managers accountable for implementing and maintaining risk controls, including the allocation of resources and reporting performance in the Business Unit.
- Complies with internal and external risk reporting requirements.

The efficacy of our risk management frameworks, processes, management actions, and monitoring of key risk areas fall under the oversight of our SRMC at the Board level. The SRMC also successfully integrated the ERM and Business Continuity Management (BCM) frameworks in 2022 across various business segments. All team members of the BCM function have been deployed within the Corporate and Business segments.