


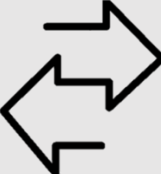


Indorama Ventures is implementing the 8 principles in the World Economic Forum Climate Governance Initiative. It serves as tools to help elevate the strategic climate debate and drive holistic decision-making that includes careful consideration of the links between climate change and business.



8 principles in the World Economic Forum Climate Governance Initiative	
	<p>Principle 1 – Climate accountability on boards</p> <p>Our Board is ultimately accountable for the long-term strategy and resilience with respect to potential involvement in the business landscape pertaining from climate change. However, the Board monitors and ensures the compliance pertaining to climate change through its subcommittee, Sustainability and Risk Management Committee, consisting of executive and non-executive directors.</p>
	<p>Principle 2 – Command of the (climate) subject</p> <p>Our board members with relevant work experience. Its composition is sufficiently diverse in knowledge, skills, experience and background to effectively consideration and take decisions informed by an awareness and understanding of climate-related opportunities and threats.</p>
	<p>Principle 3 – Board structure</p> <p>We have most efficient board comprising of both executive and independent directors with vast experience in industry in which we are operating, global warming, climate change, and its impacts. Climate Change is one of the potential risk for the Company. The Board through its subcommittee regularly monitor the status, threats and opportunities that could impact our operations. The Sustainability and Risk Management Committee (SRMC) determines the effective approach to integrate climate concerns into its organizations operations globally.</p>
	<p>Principle 4 – Material risk and opportunity assessment</p> <p>To evaluate and advise the Board on significant risks and uncertainties that could impact sustainable profitable growth. The board further ensures that the organization’s actions and responses to climate are proportionate to mitigate the negative impacts of climate changes to the company.</p>

	<p>Principle 5 – Strategic and organizational integration</p> <p>Climate Change issues are regularly and systemically considered for strategic investment planning and decision-making processes and assist management in embedding a prudent “risk culture” throughout the organization. We monitor and evaluate financial and non-financial impacts as well as potential business risks of a regulated price on carbon and are taking further steps to study and implement a policy to embed the internal cost of carbon in our operations including in M&A decisions.</p>
	<p>Principle 6 – Incentivization</p> <p>The board ensures that management incentives are aligned to promote the long-term growth of the company. Incentivization scheme (monetary, non-monetary and recognitions) is designed for our management to promote and reward sustainable value creation which relates to environmental performance including climate targets and/or sustainability goals.</p>
	<p>Principle 7 – Reporting and disclosure</p> <p>We report climate issues to the Board and the Sustainability Risk Management Committee in every six months on material climate-related risks, opportunities and strategic decisions as well as performance as a result of our initiatives. We also consistently and transparently disclosed to all stakeholders in our Sustainability Report, Annual Report and Corporate Website.</p> <p>We received an award from Transparency International where it ranked IVL among emerging markets multinationals and as one of the top companies in the world in the report. Our score is the highest in Thailand. Transparency International is a global movement initially based in Berlin, Germany, and studies transparency in over 100 countries. The vision of this nongovernmental organization is to create a world free of corruption.</p>
	<p>Principle 8 – Exchange</p> <p>Our directors and management keep abreast of all developments and updates on Climate Change. They educate themselves and also through attending high profile conferences such as World Economic Forum, conferences, seminars. Further, the Sustainability Department, Climate Strategy team, Business Heads, internal subject matter experts keep updating the management on industry trends, emerging risks, new regulations and various other issues that could impact the business operations in long term and short term.</p> <p>They also regularly approve, supervise the conduct of the company's engagement in industry and public policy making, maintain its awareness about good climate-governance practices and encourage climate dialogue and methodology sharing among industry peers, investors, regulators and other stakeholders.</p>