

2023 Materiality Assessment Summary

March 2024



Objectives



Identifying the **most important** areas of risks that a company's business activities may have on the **environment or society**



Identifying the **most important areas of risks and opportunities** that may **financially impact** a company's operation



Identifying **trends on the horizon** that could significantly impact your company's ability



Highlighting areas where the company **needs to manage and monitor** issues that are important but not currently addressed



Enabling different functions of the business to be **ready and stay ahead of competitors**



Double Materiality Approach

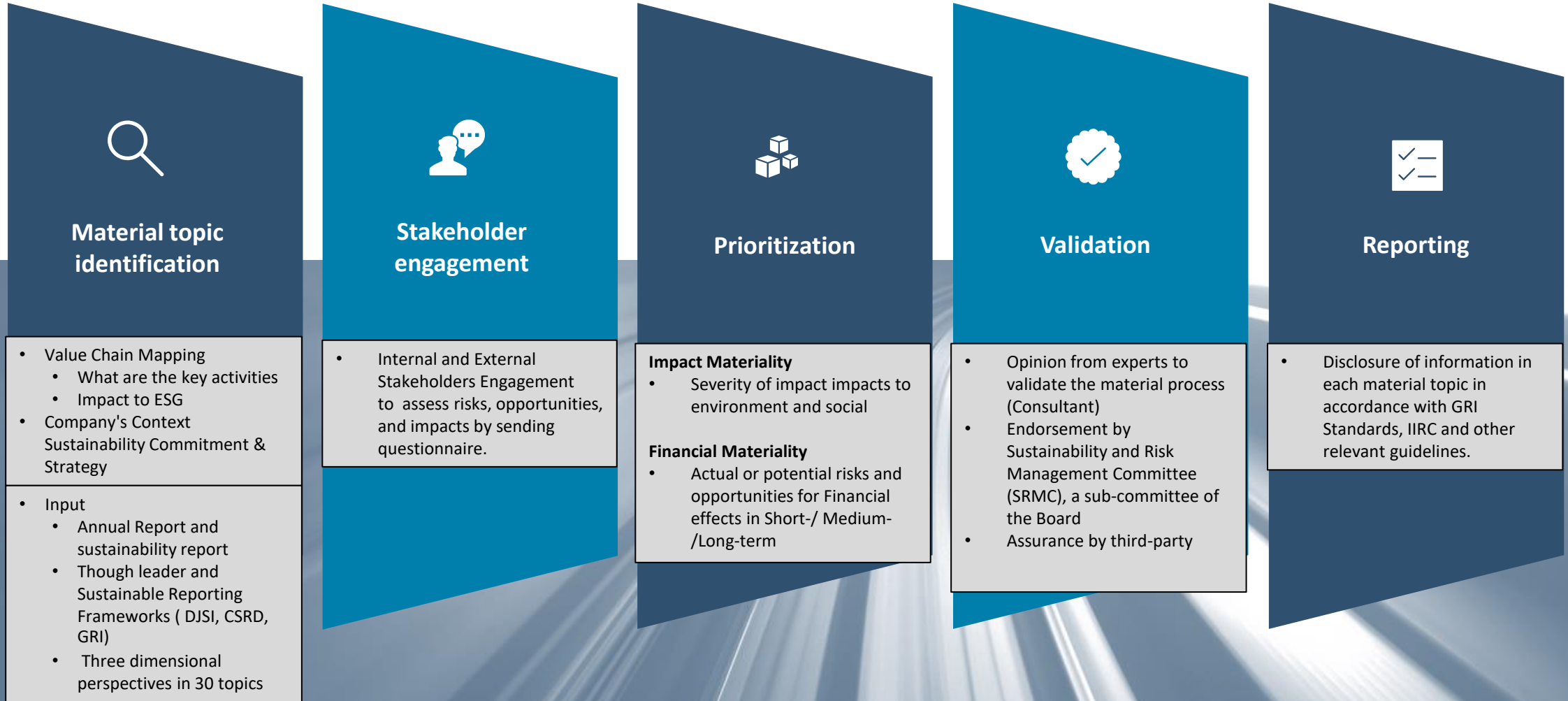
The double materiality assessment considers both the external impact on society and the environment and the impact on company value. This comprehensive approach provides a clear understanding of Indorama Ventures' responsibilities and role in addressing sustainability challenges. By examining the direct and indirect effects throughout our value chain on stakeholders and the environment, we have identified key environmental, social, and governance issues that are crucial for long-term sustainability and value creation for our stakeholders.

Indorama Ventures conducts biennial materiality assessments to define the key environmental, social, economic, and governance topics crucial to both our business and internal/external stakeholders. The process integrates input from external stakeholders, trend analyses, and internal engagement across our business group, concerning the influence of stakeholder interests from our operations and significance of the business impacts.

This assessment has been incorporated into the EU Corporate Sustainability Reporting Directive (CSRD), Dow Jones Sustainability Index (DJSI), and Global Reporting Initiative (GRI) standard. The DMA enables the company to comprehend and efficiently manage organizational potential risks, opportunities, and impacts aligning with stakeholders' expectations in a thorough and effective manner.



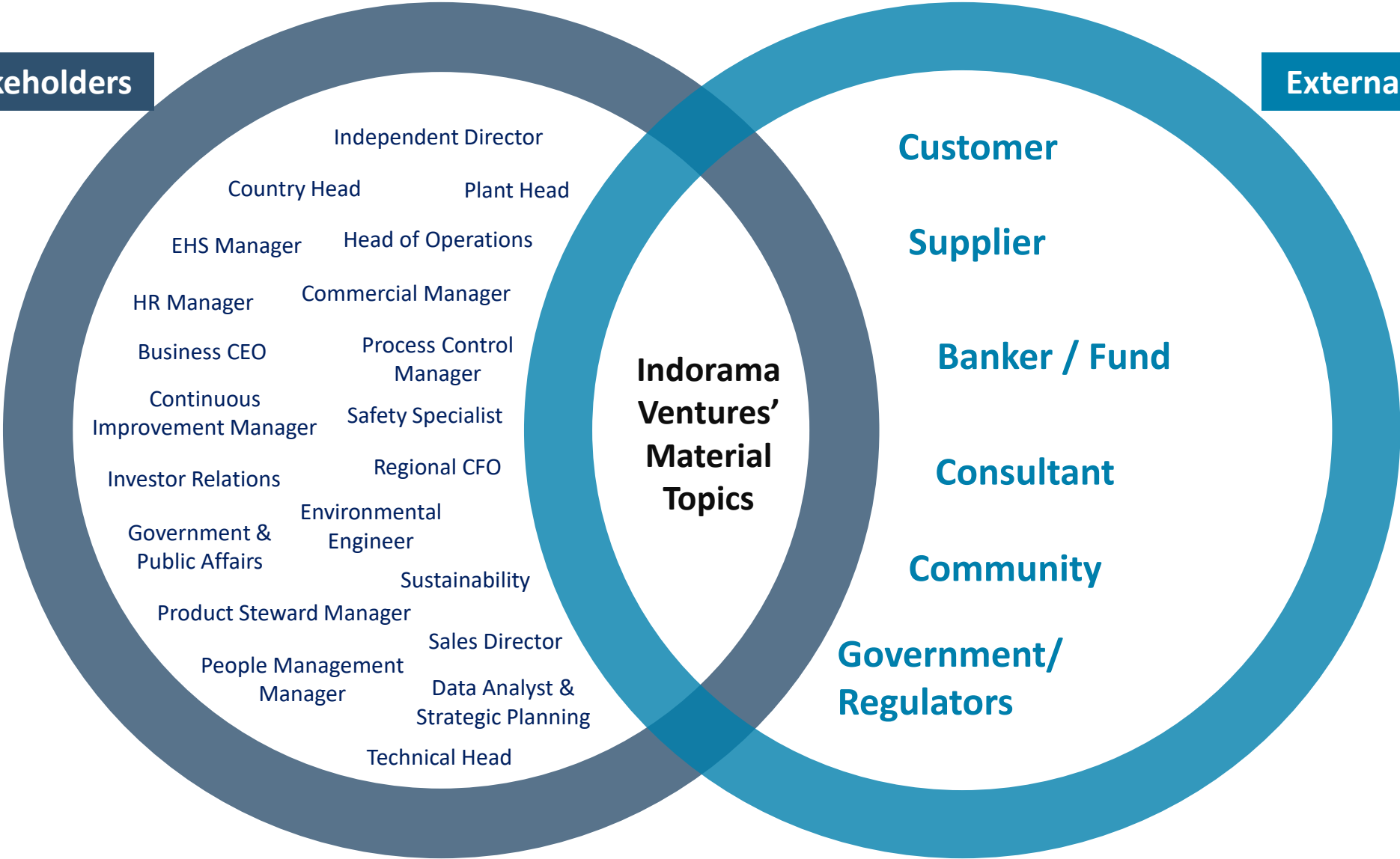
Double Materiality Process



Stakeholder Engagement for Double Materiality Assessment Survey

Internal Stakeholders

External Stakeholders



Materiality Assessment Outcomes for Enterprise Value Creation

From our 2022 Materiality Assessment, we identified 30 material topics for the 2023 Sustainability Report in EESG (Economic, Environmental, Social and Governance) pillars, linked with SDGs.

Nine of these are classified as Highly Material Topics:

	Environment	Social	Governance
SDGs	SDGs 3, 6, 7, 9, 10, 12, 13, 14, 15, 17	SDGs 3, 5, 8, 9 12, 14,15, 17	SDGs 9, 16, 17
High Priority Material Topic	<ul style="list-style-type: none"> • Post-consumer PET Bottles Recycling and Plastic Waste • Climate Change and Decarbonization 	<ul style="list-style-type: none"> • Occupational Health & Safety • Human Rights • Supply Chain Management 	<ul style="list-style-type: none"> • Business Ethics • Compliance Management • Risk and Crisis Management • Cyber Security

- ❑ Given our chemical manufacturing business, **OHS management** is crucial to protect our workforce, the value chain, as well as the environment. Similarly, effective **Risk and Crisis management** are essential to safeguard the company against internal and external threats.
- ❑ Regarding **Climate Change & Decarbonization**, increasing regulations and standards pose compliance risks, as well as reputational and financial impacts. However, these challenges also offer opportunities for implementing renewable energy, innovation, waste management, and water management. Our emphasis on renewable energy is motivated by our conviction that it can positively impact our overall sustainability and meet the expectations of our stakeholders.
- ❑ **These results were endorsed by the Sustainability and Risk Management Committee (SRMC)**, a sub-committee of the Board, and our Materiality assessment process is verified by a third party. Through our focus on these areas, we aim to ensure the well-being of our employees, protect the environment, and maintain our commitment to sustainability while driving business success.



Materiality Assessment Outcomes: Material Issues for External Stakeholders

Customers	Suppliers	Bankers / Funds	Consultants
Product Stewardship	Compliance Management	Climate Change and Decarbonization	Climate Change and Decarbonization
Climate Change and Decarbonization	Human Rights	Post-consumer PET Bottles Recycling and Plastic Waste	Supply Chain Management
Risk and Crisis Management	Climate Change and Decarbonization	Compliance Management	Business Ethics
Post-consumer PET Bottles Recycling and Plastic Waste	Supply Chain Management	Business Ethics	Post-consumer PET Bottles Recycling and Plastic Waste
	Risk and Crisis Management	Cyber Security	Occupational Health and Safety

Common Topics

Environment

Climate Change and Decarbonization
 Post-consumer PET Bottles Recycling and Plastic Waste

Governance

Compliance Management
 Business Ethics



Key Initiatives

High Priority Material Topic	Environmental
Post-consumer PET Bottles Recycling and Plastic Waste	<ul style="list-style-type: none"> • Joint effort with Evertis and AMB through the 'Tray-to-Tray Recycling' program to produce recycled PET (rPET) flakes for food packaging trays • Expansion of PET Recycling Capacity in Brazil, (from 9 ktons to 25 ktons per year), supported by a 'Blue Loan' from the International Finance Corporation (IFC), a member of the World Bank. • Indorama Ventures achieves 100 billion PET bottles recycling milestone- and counting
Climate change and Decarbonization	<ul style="list-style-type: none"> • In line with our goal to phase-out coal by 2030, we converted a hot oil coal heater to natural gas in India, resulting in an estimated GHG savings of 35,000 tCO₂e annually. • As of this year, we have 16 Onsite Solar Energy in China, India, Indonesia, Thailand, Lithuania, USA, Italy, and Egypt, amounting to a total of 42 MW combined installed capacity and 15,000 MWh of electricity generation • Waste Diverted from Landfill Program Initiated in 2021 to quantify both hazardous and non-hazardous waste amounts and explore the solution to divert waste from landfill and utilize more in line with Circular Economy Approach. Total 35 sites were audited by external auditor and 17 sites received Platinum level (diversion rate is more than 90%) • The Indorama Ventures Fibers team in Kaiping celebrated the successful commissioning of a new wastewater treatment system, the Ultrafiltration Membrane System. This system reduces water consumption at the Green Hill site by approximately 100 tons per day (30% of total usage). The achievement of zero wastewater discharge for both the Changsha and Green Hill sites signifies a major milestone in our sustainability and cost improvement journey



Key Initiatives

High Priority Material Topic	Social
Occupational Health & Safety	<ul style="list-style-type: none"> Complemented by specialized courses offered through the EHS Academy, this initiative will empower our workforce with the requisite skills and knowledge, ensuring a culture of safety and sustainability throughout our organization's hierarchy.
Human Rights	<ul style="list-style-type: none"> Human Right Due Diligence Indorama Ventures is a signatory and supporter of the Women's Empowerment Principles (WEPs), a set of principles guiding businesses on how to promote gender equality and women's empowerment in the workplace, marketplace and community, established by UN Global Compact and UN Women. Indorama Ventures was honored as an award recipient of the HR Asia Best Companies to Work for in Asia 2023. This recognition is a testament to our commitment to providing an exceptional workplace environment and promoting a culture that values and supports employees.
Supply Chain Management	<ul style="list-style-type: none"> Awarded a Platinum Medal and placed in the Top 1% of the best performing companies in sustainability assessments Joined Together for Sustainability (TfS) to Drive sustainable solutions within supply chains
High Priority Material Topic	Governance
Business Ethics and Transparency	<ul style="list-style-type: none"> No material cases or incidents of corruption or bribery
Compliance Management	<ul style="list-style-type: none"> No legal cases involving corruption or anti-competitive practices concerning the company or our employees
Risk and Crisis Management	<ul style="list-style-type: none"> The Risk Capability and Culture Leadership Program is designed to enhance risk thinking and capabilities, strengthening our ability to swiftly adapt to shifts in the business environment.
Cyber Security	<ul style="list-style-type: none"> Indorama Ventures Global Services (IVGS) in Bangkok, Medco Plast, and Indorama Ventures Dhunseri Egypt have achieved ISO27001 certification.





Thank you

