

Group CEO Message

Our efforts in embedding sustainability throughout IVL for over a decade has enabled us to achieve responsible growth while ensuring business resilience through unprecedented times. The COVID-19 pandemic has had an impact globally over the past year, testing our ability at all levels to manage the well-being of our employees and the communities around us. We are gratified by the responsible actions of all those across our organization and the seamless alignment in adjusting to rapid changes in the working ecosystem. We have continued to create value for stakeholders across our value chain despite these challenges.

Ensuring Health and Safety during COVID

Our employees' well-being has always been a key driver in our sustainability efforts. We focused first and foremost on ensuring their safety while maintaining business continuity and actively supporting our communities as they adapted to the pressures of the COVID-19. We quickly mobilized our efforts worldwide by creating a Global Emergency Management Team (GEMT) and empowered our local leadership to ensure employee safety and oversee preventive measures at our sites, including increased health and security protocols and proper protection and sanitation. We acted swiftly in following and implementing the guidelines and regulatory requirements of local authorities and adopted the necessary workplace controls.

As some countries face second and third waves, or localized outbreaks, we continue to remain vigilant and ready to respond as circumstances change. Our head office and subsidiaries contributed a combination of monetary donations, medical equipment, medicines, PPE and hygiene and food products to employees, hospitals, institutes and community groups. Our commitment to being a responsible industry leader remains stronger than ever in these challenging times.

Business Resilience and Portfolio Expansion

As the COVID-19 pandemic continues to create global supply chain disruptions, we remain steadfast in our values and see change as an opportunity. Our continued efforts in sustainability, particularly in areas of innovation and strong stakeholder relationships with our industry partners has enabled us to be operationally resilient throughout this crisis. Our significant investment in recycling businesses demonstrates the growth of our recycling portfolio resulting in minimal environmental impact.

In line with our strategy, in January 2020 we acquired Huntsman's world-class integrated oxides and derivatives businesses. With a cash value of US\$2 billion, this represents the largest and most ambitious acquisition ever by IVL. It strengthens our R&D, technical capabilities, international footprint through a flagship site on the US Gulf Coast, Chocolate Bayou and Dayton in Texas, Ankleshwar in India and Botany in Australia. By combining IVL and Huntsman's experience, our access to market, technical and intellectual properties, we will also lower corporate overheads and consolidate supply chain and procurement, boosting EBITDA contribution by US\$40 million by 2021.

Sustainable Finance

We continue to successfully secure financing for our sustainability-linked initiatives. In 2020, we received two significant environmental, social and governance (ESG) linked loans, of which the commercial terms are linked to improvements in IVL's ESG performance. We successfully completed Thailand's first ever cross-border Sustainability-Linked Ninja Loan worth US\$225 million from 16 Japan-based banks and institutions. This is structured in response to our sustainability performance, and interest is adjusted based on our ESG score. In November 2020, IVL also received the International Finance Corporation (IFC)'s

"An even stronger focus on sustainability is necessary as we navigate through the pandemic and uncertainties."

In light of COVID-19, sustainability means being resilient and agile in response to adverse events, working in partnership with others, and focusing ever more closely on health, safety and well-being.

first-ever blue loan to a global plastic manufacturer addressing marine plastic pollution. This landmark US\$300 million financing package, comprising a US\$150 million senior loan from IFC and parallel loans of US\$150 million from the Asian Development Bank (ADB) and Deutsche Investitions-und Entwicklungsgesellschaft (DEG), will help increase our recycling capacity in Thailand, Indonesia, the Philippines, India and Brazil. Through this financial capacity, we are empowered to address the issue of plastic waste management in our environment, support our global recycling commitments and improve the socioeconomic development of the communities surrounding our operations by creating jobs.

The Value of our Transformation

Our journey to continued excellence is never-ending – even during this pandemic. While I have previously noted that our transformation is to create value, it is also a mean to accelerate our decision-making capacity and execution within the company. However, this transformation effort is different from previous initiatives due to its comprehensive nature. We are positioning the company towards new full potential with an ambition that incorporates all levers of value creation. IVL's Olympus project, a cost transformation initiative, including deployment of a global business solutions throughout finance, operations, procurement, supply chain, sales and HR Functions, is expected to deliver savings of approximately US\$610 million by 2023. We must continue to put integrated efforts across businesses and functions as we lead our transformation from the front and sustain a new way of working. These actions are being taken by our team through greater empowerment and accountability, together with a more refined and best-in-class approach as we continue to grow in size.

In 2020, IVL was recognized by the International Data Corporation (IDC) Thailand and I was acknowledged as the "2020 DX CEO" for Thailand in 2020's IDC Digital Transformation Awards (DX Awards). This recognition further strengthens our motivation to forge global collaborations in the future.

Climate-focused in Action

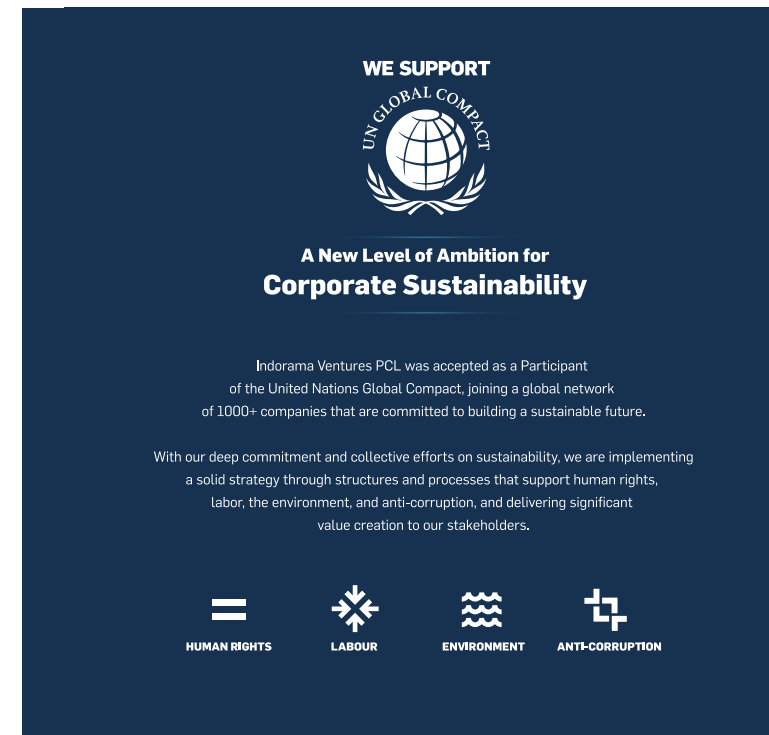
Our efforts in mitigating climate change are driven by our Climate Change Strategy 2025 which focuses on the four key pillars of preserving natural resources, investing in the circular economy, building resilience to climate change and driving continuous improvements in our product and process efficiencies. This includes ensuring that we work to minimize energy intensity and GHG emissions, despite continuing to grow. One critical area is responsible water management. We seek to reduce the use of energy and freshwater in our operations and remain focused on our 2025 ambition.

IVL joined the 50 Climate Leaders campaign in 2020, which includes the Task Force on Climate-related Financial Disclosures (TCFD) and the United Nations Global Compact (UNGC) among others, to showcase our collective work as part of the international business community and to demonstrate our leadership and determination in taking effective action against climate change.

Focusing on our Full Potential

As a leadership team, we have come together as one voice on our transformation - to which we are all committed. We remain focused on incorporating all levers of value creation and will ensure that our portfolio is integrated and responsibly serves the end use of consumers' demands while keeping in mind the importance and commitment to the circular economy.

In 2020, we continued our progress in implementing our Leadership Curriculum program targeted at empowering leaders within all levels of our organization with the necessary skills and tools to ensure a sustainable business performance. In 2020, a mix of e-learning, virtual training, and in-person training were deployed globally. A total of 200 leaders completed the Leadership training program and approximately 1,000 leaders were trained via e-learning in the fundamentals of IVL Leadership Skills. We also customized the Mentoring Program for junior and middle management participants, while Executive Coaching was initiated with two leaders to support targeted leadership development. We will continue to deploy and expand the curriculum to achieve IVL's leadership development objectives.



Recognitions to Reflect Our Sustainability Leadership

The dedication of IVL's team has once again been reflected in the numerous recognitions received over the past year. We are honored to have been listed in the DJSI World Index for the second consecutive year and the DJSI Emerging Markets Index for the fourth consecutive year with the 2020 results putting IVL in the top three among the world's leading chemical companies.

IVL has been a UN Global Compact participant since 2020 and continues to actively support its ten principles. IVL participated in the "Thailand Business Leadership for SDGs" organized by the Global Compact Network Thailand (GCNT) Forum 2020 at the UN Conference Center in Bangkok. This conference helped to convey how we are operating our business through a circular economy concept with a long-term focus. During the conference, IVL pledged THB 1 billion in the event towards projects and initiatives that directly support achieving the United Nations Sustainable Development Goals (UN SDGs) and committed to embedding them in our core business strategies and activities.

Creating a Sustainable Future

As we move into the next decade, we remain committed in creating value for the 3Ps - People, Planet and Prosperity. Our journey requires that we consistently focus on our five key priorities of Cost Transformation, Full Asset Potential, Adjacency Growth, Recycling Leadership, and Leadership Development.

We have a responsibility towards our key stakeholder groups including 25,000 employees and their families, as well as our customers and industry partners. We endeavor to create positive value for the communities surrounding our operations. As our responsibility to our stakeholders increases in tandem with our organizational growth, we are cognizant of the need to be transparent. Our deeply entrenched "Winning" spirit drives our perseverance and has enabled IVL to deliver progress even in times of great uncertainty. Our sustainability culture from our spirit within IVL is the success factor to create a better tomorrow.

We remain on alert and vigilant as COVID-19 remains an ever-present threat into 2021. However, the way in which we navigated this crisis gives us confidence that we will emerge from it more resilient and stronger than ever, with even more innovative solutions for plastic waste and focused on increasing our sustainable footprint across all geographies.

Finally, we would like to acknowledge our employees, stakeholders, business partners and associates for their continued support in making 2020 a year of accomplishment under such challenging circumstances.

Aloke Lohia
Group Chief Executive Officer

Chief Strategy Officer Message

We embraced sustainability early in the last decade and have prepared ourselves for the next decade as the world is placing sustainability at the forefront of all our actions and behaviors. We are honored to have been listed in the DJSI World Index for the second consecutive year and the DJSI Emerging Markets Index for the fourth consecutive year as a result of the concerted efforts of IVL global team and with the active support of all of our stakeholders. We are beginning to see a culture of sustainability taking shape across the organization and a mindset that helps strike a balance between economic goals and responsibility towards our planet for the coming generations.

This year, the pandemic has forced the world to pause and reflect on our resource heavy consumption and behaviors. However, we are seeing increased awareness as consumers are demanding concrete actions for a sustainable future, and all stakeholders including corporates, communities, policymakers, research institutes and universities among others, are converging on a common objective – sustainable living.

Contributing to a cleaner future

It is encouraging to see that some corporates are proactively setting internal sustainability targets ahead of regulatory compliance requirements. Besides individual actions, collaborative alliances are emerging which help drive awareness and build momentum to achieving targets within timelines. At IVL, we have set our targets to reduce GHG emissions by 10%, reduce water consumption by 10%, reduction in energy use by 5%, and increase renewable electricity use by 10% (of our overall energy consumption) by 2025. We are also pursuing setting up Science Based Targets (SBTs). We continuously look for new tools and technologies which can be embraced by our businesses, to help standardize our business processes, approach carbon neutrality, and optimize resource use with minimal impact to the environment.

Strengthening recycling partnerships

We believe that a collaborative approach can have a wider impact and are therefore working closely with industry associations such as NAPCOR, the Ellen MacArthur Foundation, as well as recycling collaborations with our key customers. We are also working with several technology providers, our feedstock suppliers and customers to continuously improve the quality of our products and services including advanced recycling solutions. We remain focused on developing an all-inclusive circular economy in part by educating students, teachers, communities and other enablers to positively influence consumer behavior in support of a circular economy ecosystem.

Our commitment to recycling since the start of 2011 reached an important milestone in March of 2020 as we recycled our 50 billionth PET bottle. We further pledged to invest US\$1.5 billion to increase our recycling capacity to 750,000 tons of post-consumer bottles and 50 billion bottles per year by 2025.

Pioneering green finance

Financial institutions and investors are increasingly viewing corporations through a sustainability lens while investing, approving, and extending financial support. We have secured approximately US\$1 billion in sustainability linked loans from various banks and financial institutions, and a portion of these funds are considered "Blue Loan" to address plastic waste. Sustainability linked loans are tied to a company's ESG rating, while improvements in ESG ratings enable more sustainable finance at favorable lending terms. We have more sustainability linked loans in the pipeline from various banks and financial institutions.

"At Indorama Ventures, we believe that sustainability is the source of our competitive advantage and contributes to our long-term growth."

Sustainable and future ready

These actions are paving the way towards creating a sustainable culture in our organization while serving the needs of consumers and creating new engines of growth for IVL, supported by our enterprise-wide transformation initiatives and enabling functions.

Our vision, efforts and actions on sustainability have started setting the direction for a future ready organization wherein sustainability has become our competitive advantage. This year, we created 16 application-focused and fully empowered businesses in three segments. And in order to help them in their growth, we created six enabling functions namely, Sustainability, Environment, Health and Safety, Indorama Ventures Excellence, Digital, Business Continuity and Communications, which are directed by experienced professionals identified within the organization and recruited from the industry. We are separately investing in the necessary IT infrastructure to provide the standardized data and capabilities required of a future ready organization.

For continuous improvements, the enabling functions and business units continue to create a pipeline of ideas to improve the efficiency and effectiveness of the enterprise. We have put in place managing processes for change in a way where solutions are embedded in our culture through training, conferences, communications, digital support, safety of people, and plants to ensure business continuity, care for the environment, responsibility to society and governance for discipline and compliance.

Our response to COVID-19 underscores our resilience, adoption of technology, focus on business continuity, skills development and internal-external communications, which collectively helped us in implementing our transformational and growth projects while sustaining outstanding business performance despite the pandemic.

The enabling functions approach to assist the business units and journey so far is explained in the following paragraphs.

Digitally-enabled operations

Digital tools are changing the way we conduct our business and interface with the internal and external environments. We accelerated our digital journey in the past few years and have used digital tools at various sites to improve our efficiency and effectiveness. To promote a digital culture across the organization, this year, we established a digital academy to provide training on various digital tools and also organized digital conferences and created digital lighthouses. The digital team is collaborating with other enabling functions in addressing capability gaps and aligning their KPIs with business KPIs to target a common goal of digitization at all levels in the organization.

Environment, Health and Safety

We continue to attach our highest importance to environment, health and safety. We have created a central EHS enabling function with responsibility to standardize policies and common guidelines on environmental impacts, the safety of employees and

assets and to ensure business continuity. The EHS team's KPIs are closely aligned with the businesses. An enterprise-wide EHS specialized management software was introduced for the smooth and seamless flow of data across the organization and to take necessary actions at the right time. The EHS function is bringing synergies with other enabling functions, particularly with the Sustainability and Business Continuity functions, as both are helping the organization in achieving its sustainability goals through a culture of continuous improvements.

Indorama Ventures Excellence

We have been deploying various tools and continuous improvement processes over the years and decided to embrace the Indorama Ventures Excellence (IVEX) program across the organization. The IVEX team, in collaboration with the Digital team, has identified opportunities which will help the businesses improve process efficiencies along with resource optimization. To ensure the effectiveness and efficiency of solutions, ensuring they do not diminish over time due to the dynamic nature of the enterprise, IVEX aims to sustain positive change by creating a culture backed by intensive training and skills enhancements through a continuous increase in the number of green belts, black belts and master black belts across the organization.

We see the convergence of enabling functions as a single body and are working together with business units to identify any gaps and find appropriate and sustainable solutions. The primary purpose of the enabling functions is to build an ecosystem to sustain a culture focused on continuous improvements throughout the organization. Positive outcomes and achievements depend on the success of the respective business units, therefore, the alignment of KPIs with business units is imperative. We are shaping up the enabling functions, keeping in mind the short-term and long-term targets of the business units.

On the sustainability front, we believe in collaborating with other like-minded industry players to leverage technologies and experience in carbon neutrality, clean energy and positive impacts on the environment. The sustainable values resulting from IVL's initiatives and actions are a reflection of our ongoing efforts in support of the UN Sustainable Development Goals (UN SDGs) and the UN Global Compact principles. We are also working on evolving our EHS, CSR and Sustainability functions into a broader Environmental, Social and Governance initiative. Our aim is to incorporate innovation as part of our sustainability/ ESG focus which will provide us with a competitive advantage in addition to contributing positively to our operational performance.

I would like to thank all of IVL's employees, the leadership team, and our partners who are helping us in managing un-interrupted operations during this ongoing pandemic, and I wish you all the very best and a safe new year.

Udey Paul Singh Gill
Chief Strategy Officer



Chief Sustainability Officer Message

Ten Years of Sustainability – Past, Current and Future

IVL is continuing to work towards a sustainable future through our recycling commitment and by moving towards circularity in line with our vision “to be a world-class sustainable chemical company making great products for society.” Our collective efforts have shown important progress in the last 10 years:

- 10% Reduction in GHG intensity
- 4% Reduction in Energy intensity
- 7% Reduction in Water intensity
- Total waste diverted from landfill increased from 48% to 84%
- 600% increase in post-consumer PET bottle recycling

Over the last decade, IVL has built a solid foundation for sustainability through strategic actions. These include adopting international standards and guidelines to mitigate the risk of climate change and incorporating ESG factors across our operations. We are actively engaged with stakeholders to further strengthen our approach by deploying relevant tools such as the Materiality Assessment, Customer Satisfaction Survey, Life Cycle Assessment, GHG Accounting and public sustainability disclosures to build trust and demonstrate our transparency. Our participation in corporate sustainability assessments through various organizations have contributed to continued improvements our operations and our customer offering.

This report, marking ten years of sustainability-linked disclosures, has been prepared with guidance from the International Integrated Reporting Council (IIRC)'s International Integrated Reporting <IR> Framework 2021. By structuring our report based on this framework, we endeavor to create a clear picture on how our organization creates value for our stakeholders through our short, medium and long-term strategies.

2020 was a particularly challenging year; impacts were felt at the individual, community, business, national and international level. During this time, we undertook various company-wide initiatives across our operations, systems and teams which have positioned us for continued growth. We have reorganized the business and strengthened our leadership teams. Our 2021-2023 strategy, based on investing in our people, recycling leadership, refreshing of segment-specific strategies and business transformation enable us to maintain strong operating cash flows and achieve 2025 sustainability ambitions. Despite the challenges that remain, we will leverage this strategy to foresee, adapt, and respond to the global climate change accordingly.

The decade ahead will be even more important as we establish a new sustainable ecosystem focused on recycling and the circular economy, bringing together all players in the value chain. IVL's ambition is to be a thought leader in the industry, and we will achieve this by meeting our recycling commitments, creating products, innovations and solutions for the new normal, continuing our engagement with stakeholders for shared value creation, and transitioning to a carbon neutral business.

Ambitions Towards Carbon Neutrality

Our 2025 Sustainability Ambitions serve as a guide to actively reduce our carbon footprint and reduce our climate change impact. We are continuing our efforts to reach our carbon reduction targets including GHG (Scope 1&2) intensity reduction of 10% by 2025 (from 2020 base year), increase the usage of renewable electricity 10% by 2025 and 25% by 2030. We are also pursuing setting up Science-Based Targets (SBTs). Multiple efforts and initiatives to reduce our carbon footprint are already underway.

“Our business potential and resilience is tied to our environmental responsibility and social empowerment.”

We see sustainability as a transformative journey that demands constant and continuous improvements, and IVL intends on being a thought leader delivering a more sustainable and circular ecosystem in the future.

We seek to drive efficiencies throughout our supply chain and will continue to actively identify and implement decarbonization solutions.

We have also demonstrated our leadership towards climate action by becoming the first chemical company in Thailand and second company in Southeast Asia to support the Task Force on Climate-related Financial Disclosures (TCFD's) recommendations. In this report, we have further mapped out our current focus as well as future focus towards mitigating climate change. To achieve SBTs and the vision of becoming the carbon neutral, we are assessing opportunities to improve efficiency in our operations, renewable electricity, and future technologies.

Circular Economy Thought Leadership

IVL is fully committed to addressing the issue of plastic waste and enhancing the circularity of PET and continues to make important progress. Since 2011 to the end of 2020, we have recycled 58 billion PET bottles. IVL is accelerating efforts to achieving our pledge of recycling at least 50 billion bottles per year, and investing US\$1.5 billion by 2025.

In 2020, we acquired new recycling facilities in Brazil and Poland, and expanded in Verdun, France.

We have also partnered with Coca-Cola Beverages Philippines to establish a new, state of the art PETValue recycling facility in the Philippines capable of recycling 30,000 MT of post-consumer PET bottles per year towards our overall goal of recycling 50 billion bottles per year by 2025 which resonates with our local communities, suppliers and customers. Our existing facilities successfully recycled over 222,288 tons of post-consumer PET bottles equivalent to 10.1 billion bottles throughout 2020 and we are well on target to achieve our 2025 ambitions.

We are members of industry associations such as NAPCOR, Petcore Europe, Ellen MacArthur, GPAP and the Recycling Partnership to promote PET and recycling. We formed partnerships with organizations including Less Plastic Thailand, working with them to make PPE suits for medical personnel, and the Trash Lucky initiative, which encourages disadvantaged communities to learn about the benefits of recycling.

Last November, I took part in the World Bank's "Marine Plastics in East Asia and the Pacific: Crisis and Opportunity" event detailing our recycling commitment and sustainable business focus as part of the solution to this pressing development challenge in the region. I specified that our commercial success is tied to environmental responsibility, that there is a market for sustainability and that consumers want sustainable packaging – and confirmed we are leading on this front. We are honored to receive the first blue loan from IFC. This drives improvements in waste collection systems, meaning less waste and cleaner oceans by recycling post-consumer PET bottles into new bottles. In this way, we give waste an economic value.

Sustainable Organization Growth

We have been able to sustainably run our global businesses despite the pandemic. Our new Integrated Oxides and Derivatives (IOD) business acquisition and Fibers portfolio strengthens our businesses and provides diversification and integration along the entire value chain. IVL makes products that meet daily consumer needs and that are resilient to external threats. It is crucial that we continue to work together and focus on driving sustained innovations and successes.

In addition, Wellman International, our subsidiary, joined forces with the HealthGuard® Corporation to develop a range of antiviral, antimicrobial and antibacterial polyester staple fibers which mitigate the transmission of COVID-19. We are, therefore,

looking to find potential sustainable solutions in this and other areas with a longer payback horizon and which offer even more potential.

We closely monitor the sourcing and use of chemicals and other substances necessary in our operations. We comply with the European Chemicals Agency (ECHA)'s list of substances of very high concern (SVHC) and continue to seek solutions that avoid using chemicals on the SIN (Substitute It Now!) list. In 2020, we replaced cobalt acetate color control with toners in our Auriga facility product portfolio in South Carolina, USA, thus enabling us to provide our customers with a more cost-efficient product while ensuring the safety of end consumers. As a result, our product safety management has helped us achieve the second with a B grade in ChemScore's ranking of the world's largest chemical companies in 2020.

Committing to A Sustainable Future

Our commitment to sustainability remains steadfast through the global pandemic. Adopting and integrating the UN SDGs and guiding principles of the UN Global Compact (UNGC) into our sustainability strategy will ensure we operate responsibly and with a sustainability mindset. To further advance our position, we became a "Participant" member of the UNGC, demonstrating our commitment to advancing ethical business practices across our value chain to promote human and labor rights, environmental protection, and anti-corruption. We are committed towards implementing the ten principles of the UNGC and are in the process of producing our first Communication on Progress report by June 2021.

We continue to be recognized by organizations such as DJSI as well as MSCI and improved our position last year with our top-ranked inclusion in the FTSE4Good index. Receiving the Gold recognition, we were recognized as one of the top 2% of companies in the manufacture of basic chemicals from EcoVadis underscoring the

results of our combined efforts. We also received a suite of prestigious awards such as the Best Polymer Producers Awards for Europe 2020 in the PET category and the Sustainable Business Awards, Thailand – a testament to how we are pushing the envelope on sustainability and innovation.

As COVID-19 continues to impact the world, we are reminded of the ongoing risks and vulnerabilities. It is, therefore, crucial for us to remain vigilant and prepared. The well-being of our employees, customers, suppliers and communities will continue to be at the forefront of our fight against the pandemic. We continue to monitor the COVID-19 infection rates across our operations and remain hopeful that as vaccinations progress, we can ensure the safety of our key stakeholder groups.

We are thankful for the time and effort being put in by the IVL team and all our partners even during this unprecedented period, as we demonstrate our capacity for change and continue to pursue our ambitious efforts in making sustainability front and center in what we do.



Yash Lohia
Chief Sustainability Officer