TNFD Report 2025

Taskforce on Nature-related Financial Disclosures

Our Approach to Nature

At Indorama Ventures, we recognize that nature underpins environmental health, societal well-being, and long-term business resilience.

Mobilizing for Action

Biodiversity loss and ecosystem degradation are increasingly recognized as significant global risks, including in the World Economic Forum's Global Risks Report 2025, with implications for businesses, communities, human well-being, and the achievement of many of the UN Sustainable Development Goals (SDGs). Indorama Ventures recognizes the importance of protecting and restoring nature and the ecosystem services on which businesses and society depend. Our approach is to identify, assess, manage, and disclose nature-related dependencies, impacts, risks, and opportunities while supporting the transition toward nature-positive outcomes.

Nature and Business Resilience

Indorama Ventures recognizes that effectively managing nature-related risks can also create opportunities and contribute to a stronger, more resilient business. Healthy and resilient ecosystems support sustainable raw material sourcing, the availability of natural resources, supply chain security, and operational continuity. At the same time, increasing demand for more sustainable products and solutions can drive innovation and create new business opportunities. These efforts can also strengthen relationships with local communities, suppliers, customers, consumers, and employees. By understanding and managing our dependencies and impacts on nature and the related risks and opportunities, we integrate nature-related considerations into business decision-making, risk management, and long-term strategy.

Fostering Collaboration

Addressing nature-related challenges requires collaboration among governments, businesses, suppliers, consumers, and other stakeholders, supported by enabling policies and regulations, investment, sustainable sourcing, and more responsible consumption. Indorama Ventures recognizes that its business activities are interconnected with broader value chains and ecosystems that are important to long-term business sustainability. We are committed to continuous improvement in responsible and sustainable practices and to collaborating with stakeholders in managing nature-related issues. Looking ahead, we will continue to enhance our TNFD-aligned assessment, risk management, and disclosure as methodologies, data availability, and stakeholder expectations evolve.

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The World Economic Forum's Global Risks Report 2025 highlights a significant increase in environmental and technological risks over the next decade. Biodiversity loss and ecosystem collapse are projected to become the second most severe global risk over a 10-year horizon. This underscores the urgent need to address biodiversity loss alongside other critical Earth system challenges, such as climate tipping points and natural resource shortages.

While climate change has traditionally received the most attention, the report emphasizes the interconnectedness of biodiversity and climate systems. Neglecting biodiversity could undermine climate action, as healthy ecosystems play a vital role in regulating the climate, building resilience, and providing ecosystem services on which businesses and society depend. Indorama Ventures recognizes its responsibility to conserve biodiversity and is committed to protecting ecosystems in the areas where it operates.

The Taskforce on Nature-related Financial Disclosures (TNFD) provides recommendations and guidance for organizations to identify, assess, manage, and disclose their nature-related dependencies, impacts, risks, and opportunities. In alignment with these recommendations, Indorama Ventures applies the framework to assess nature-related issues and integrate nature-related considerations into its strategy, operations, risk management, and disclosures.

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INTRODUCTION

About Indorama Ventures

Indorama Ventures is one of the world's leading petrochemicals producers, headquartered in Bangkok, Thailand. In 2025, our global footprint comprised 114 manufacturing locations across 31 countries, supported by 27,331 total employees*, with consolidated revenue of THB 447 billion. Our diversified, international businesses are integrated across our petrochemical value chain, with market-leading positions in Asia-Pacific, Africa, Europe, and the Americas.

We deliver indispensable chemistry to our customers, including major household brands, to produce daily consumer necessities that touch billions of lives every day. Our business segments – Combined PET, Indovida, Indovinya and Fibers – serve customers in diverse growth markets, including food and beverages, automotive, pharmaceuticals, textiles home and personal care, and agrochemicals.

To support the UN Sustainable Development Goals (SDGsIndorama Ventures recognizes the importance of addressing biodiversity loss and minimizing its impacts on ecosystems. Addressing biodiversity loss risk is essential for achieving the SDGs holistically and Indorama Ventures is committed to making a positive impact.

** Total employees include both permanent and temporary employees.*

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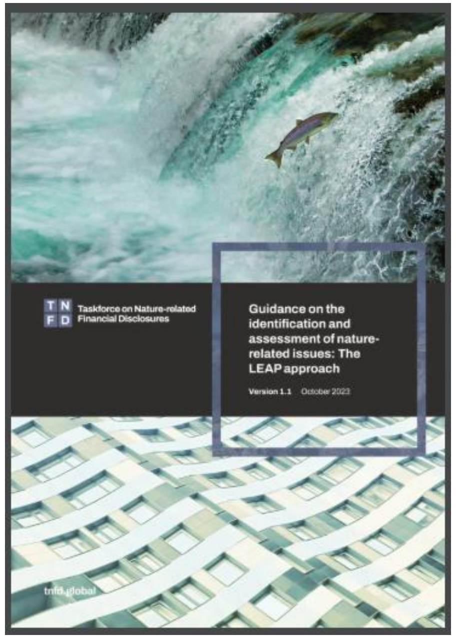
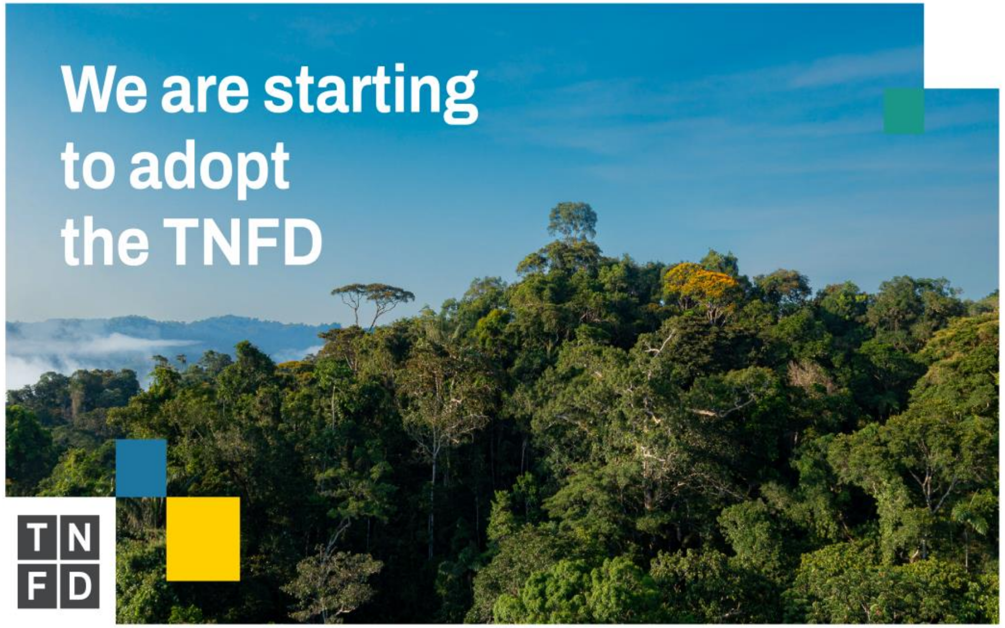
Indorama Ventures recognizes the importance of biodiversity and ecosystem services to its operations and broader value chain. We have progressively aligned our nature-related assessment and disclosure with the TNFD framework. We began applying the LEAP approach in 2024. This structured approach supports the systematic identification and assessment of nature-related dependencies, impacts, risks, and opportunities, and informs appropriate responses and disclosures.





L — **Locate** *The interface with nature*

E — **Evaluate** *Dependencies & impacts*

A — **Assess** *Risks & opportunities*

P — **Prepare** *To respond & report*

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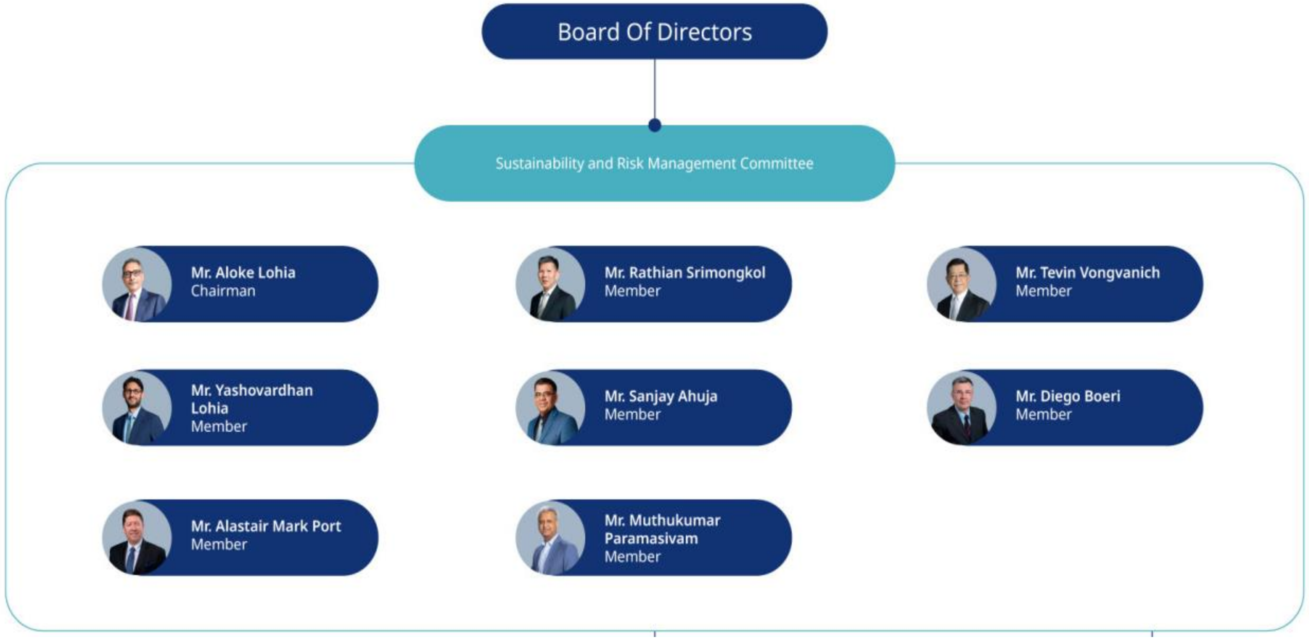
Oversight of Nature-related Issues

Board oversight

The Board of Directors holds ultimate responsibility for overseeing the Company’s sustainability and risk management matters. The Board has appointed three sub-committees to support the Board: the Sustainability and Risk Management Committee (SRMC), the Nomination, Compensation and Corporate Governance (NCCG) Committee, and the Audit Committee.

The SRMC is the primary Board-appointed body supporting the Board’s oversight of sustainability and risk management, as set out in the SRMC Charter. It reviews the Company's sustainability strategy, helps ensure that environmental priorities are reflected in long-term objectives and operational plans, and reviews the effectiveness of the enterprise risk management (ERM) framework. Indorama Ventures’ Biodiversity Statement was formally endorsed by the SRMC.

The SRMC reports its agenda items, findings, and recommendations to the Board through regular reporting. During 2025, the Chairman of the ESG Council provided advisory support and served as the primary liaison between management and the Committee. Further details on the SRMC are available here.



Management oversight

Management works closely with the SRMC to ensure that relevant nature-related issues identified through the Company's assessment processes are appropriately considered and addressed. Nature-related matters are addressed through the Company's existing management-level bodies, including the Indorama Management Council (IMC) and the Manufacturing and Technology Center (MTC). Further details on the tools and processes used to identify and assess nature-related issues are provided in the Strategy and Risk and Impact Management sections.

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Table 1. Key committee structure and roles and responsibilities

	Governing Structure	Roles and Responsibilities	Meeting Frequency
Board Level	Board of Directors	• Oversee the Company's sustainability and risk management matters, including nature-related issues • Ensure sustainability considerations are appropriately reflected in the Company's business strategy and long-term direction	5 times/year
	Sustainability and Risk Management Committee (SRMC)	• Oversee and review sustainability and risk management activities and performance • Review key sustainability and business risks, including biodiversity and water scarcity	Quarterly
Management Level	Indorama Management Council (IMC)	• Ensure that sustainability initiatives are implemented as planned	Quarterly
	Manufacturing and Technology Center (MTC)	• Execute and roll out sustainability initiatives across operating sites • Provide environmental stewardship, including GHG, energy, and water management	Quarterly
Operational Level	Sustainability Department (Led by Chief Sustainability Officer)	• Assist the SRMC in monitoring sustainability performance • Support sustainability implementation and coordination across the Group. • Work in collaboration with the MTC to oversee and manage key environmental aspects within the organization, including energy, GHG emissions, air emissions, waste, and water	Monthly

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STRATEGY – Biodiversity Risk Frameworks

Indorama Ventures applies the TNFD framework to identify, assess, manage, and disclose nature-related issues, including dependencies, impacts, risks, and opportunities. For its 2025 location-based assessment, Indorama Ventures screened 142 operational sites across more than 30 countries. As part of this process, we use the LEAP approach together with the Integrated Biodiversity Assessment Tool (IBAT), the WWF Biodiversity Risk Filter, and the ENCORE tool to support the identification and assessment of nature-related dependencies, impacts, risks, and opportunities.

The LEAP approach provides a structured methodology for organizations to identify, assess, manage, and disclose nature-related issues. The process consists of four phases:

L — **Locate interactions with nature** - Identify where our business interacts with nature across our operations and value chain, with a particular focus on ecologically sensitive areas

E — **Evaluate dependencies and impacts** - Evaluate our dependencies and impacts on nature, including water, soil, biodiversity, and ecosystem services.

A — **Assess related risks and opportunities** - Assess nature-related risks (e.g., regulatory changes and physical risks) and opportunities (e.g., innovation and market shifts) linked to our nature-related dependencies and impacts.

P — **Prepare appropriate responses and disclosures in line with TNFD guidance** - Develop responses and disclosures for material nature-related issues, integrating findings into strategy, risk management, and TNFD-aligned reporting.

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STRATEGY – Biodiversity Risk Frameworks

Indorama Ventures applies a suite of biodiversity assessment tools to support the identification and assessment of nature-related dependencies, impacts, risks, and opportunities, supporting our TNFD-aligned assessment and disclosure.

The WWF Biodiversity Risk Filter

The **WWF Biodiversity Risk Filter** is a screening tool that helps organizations identify and assess biodiversity-related risks across operations, supply chains, and investment portfolios. It combines global spatial datasets with sector-specific dependency and impact data to evaluate biodiversity-related risk indicators and generate location-specific risk scores.

The tool supports the assessment of **physical, transition, and reputational risks**, helping prioritize mitigation actions and align biodiversity risk assessments with the recommendations of the **Taskforce on Nature-related Financial Disclosures (TNFD).**

ENCORE

ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) is an online tool developed by the **Natural Capital Finance Alliance (NCFA)** and the **United Nations Environment Programme (UNEP)**. It helps organizations understand how business activities depend on and impact natural capital by linking economic sectors with ecosystem services and environmental pressures.

ENCORE enables organizations to identify material nature-related dependencies and impacts, supporting the assessment of nature-related risks and informed decision-making.

IBAT

The **Integrated Biodiversity Assessment Tool (IBAT)** is a global biodiversity screening tool developed through a collaboration between **IUCN**, **BirdLife International**, **UNEP-WCMC**, and **Conservation International**. It consolidates authoritative biodiversity datasets to identify areas of high biodiversity value and assess potential nature-related risks.

IBAT supports organizations in evaluating proximity to **Protected Areas (PAs)**, **Key Biodiversity Areas (KBAs)**, and threatened species, enabling risk-informed decision-making and the development of effective biodiversity management strategies.

Methodology note: These tools support screening and prioritization by helping identify potential priority locations and nature-related issues for further assessment. Results should be interpreted considering the quality and spatial scale of the underlying data, as well as the limitations and assumptions of the models used.

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LEAP Approach: Locate – Identify Interactions with Nature

Indorama Ventures screened 142 operational sites across more than 30 countries using the WWF Biodiversity Risk Filter. The assessment identified 15 sites across four countries with relatively high biodiversity-related physical risk. These sites have been prioritized for further assessment and action planning to evaluate their nature-related dependencies, impacts, risks, and opportunities.

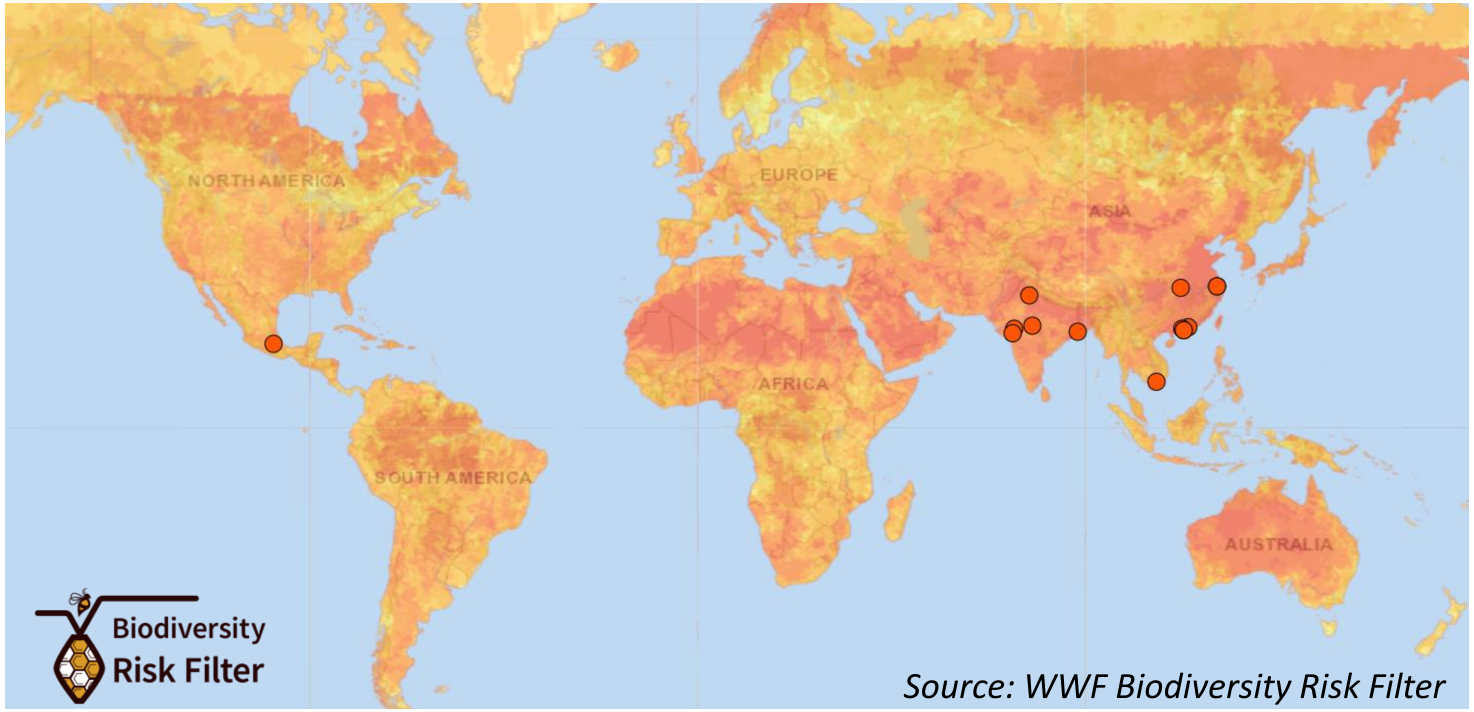

Figure 1. Locations of Sites Identified with Relatively High Biodiversity-Related Physical Risk Using the WWF Biodiversity Risk Filter

Table 2. Sites Identified with Relatively High Biodiversity-Related Physical Risk by Country

Country	Number of sites
China	8
India	5
Mexico	1
Vietnam	1
Total	**15**

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LEAP approach: Locate – Screening for Threatened Species and Sensitive Locations

In 2023, Indorama Ventures conducted a biodiversity screening across 149 operational sites using the Integrated Biodiversity Assessment Tool (IBAT). The assessment utilized the IUCN Red List of Threatened Species to identify Critically Endangered (CR), Endangered (EN), and Vulnerable (VU) species within a 50 km radius of each site. The screening also considered sites located within or near Protected Areas and Key Biodiversity Areas (KBAs). The results supported our 2023 TNFD assessment by identifying locations with potential biodiversity sensitivity and informing further biodiversity assessment and the development of appropriate action plans.

Table 3. Operational Sites by Number of Threatened Species on the IUCN Red List

Number of Threatened Species on the IUCN Red List (CR, EN and VU) within 50 km	Number of sites
> 400	-
321 - 400	5
241 - 320	7
161 - 240	20
81 - 160	49
≤ 80	68

Note: This assessment was conducted based on the 2023 operational boundary of 149 sites. Subsequent TNFD assessments use updated operational boundaries.

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LEAP approach: Evaluate – Dependencies and Impacts

To evaluate our nature-related dependencies and impacts, Indorama Ventures used the updated ENCORE tool. The assessment provides a sector-level view of potential dependencies on ecosystem services and impacts associated with environmental pressures. We assessed the manufacturing sector under the "Manufacture of Other Chemical Products" industry classification. The assessment was conducted in 2025 using the latest available ENCORE datasets and provides more granular insights into potentially material nature-related dependencies and impacts at the sector level. The key assessment results are summarized below.

Table 4. Nature-related Dependencies and ENCORE Materiality Ratings

Dependencies	Rating
Water supply	High
Water flow regulation services	High
Water purification services	Medium
Flood mitigation services	Medium
Solid waste remediation	Medium
Storm mitigation services	Medium
Rainfall pattern regulation services	Medium
Soil and sediment retention services	Medium
Local (micro and meso) climate regulation services	Low
Dilution by atmosphere and ecosystems	Low
Global climate regulation services	Very low
Air filtration services	Very low
Noise attenuation services	Very low
Mediation of sensory impacts (other than noise)	Very low

Table 5. Nature-related Impacts and ENCORE Materiality Ratings

Impact	Rating
Disturbances (e.g., noise, light)	Very high
Emissions of toxic pollutants to water and soil	Very high
Emissions of nutrient pollutants to water and soil	Very high
Volume of water use	High
Emissions of GHGs	Medium
Emissions of non-GHG air pollutants	Medium
Generation and release of solid waste	Medium
Area of land use	Low

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LEAP approach: Assess – Risks and Opportunities

Building on the assessment of our nature-related dependencies and impacts (Tables 4 and 5), Indorama Ventures assessed the potential risks and opportunities arising from our interactions with nature. Nature-related risks may result in both financial and non-financial impacts and often involve interrelated environmental, operational, and regulatory factors. The table below summarizes the potential nature-related risks identified at the Group level.

Table 6. Nature-related Physical and Transition Risks

Nature-related Risks	
Physical	• Extreme weather events and natural hazards (e.g., cyclones, droughts, and floods), particularly where exacerbated by ecosystem degradation, may disrupt operations and supply chains. • Ecosystem degradation may reduce the availability of ecosystem services and adversely affect business operations. • Resource scarcity and reduced availability of ecosystem services may increase raw material, operational, and resource management costs.
Transition	*Policy and Regulatory* • Evolving environmental policies and regulatory requirements. • Increasing nature-related disclosure and reporting requirements. • New or more stringent environmental regulations and standards may restrict operations or delay project development. • Biodiversity-related taxes, fees, and resource-use restrictions (e.g., water abstraction and land use). • Licensing and permitting requirements may become more demanding and affect the continuation or development of operations.

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LEAP approach: Assess – Risks and Opportunities

Table 6. Nature-related Physical and Transition Risks (continued)

Nature-related Risks	
Transition	*Market* • Changes in consumer preferences may reduce demand. • Reduced investor confidence may limit access to green financing or increase the cost of capital. • Changes in input prices and sourcing conditions may increase production costs. • Increased collection, recycling, and end-of-life management costs. • Changes in market dynamics may reduce market competitiveness.
	Reputational • Increasing stakeholder expectations and scrutiny. • Reputational damage and reduced brand value resulting from adverse environmental and social impacts. • Loss of social license to operate.

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LEAP approach: Assess – Risks and Opportunities

The nature-related opportunities identified by Indorama Ventures span areas that can support business performance and resilience, including regulatory readiness and transparency, operational efficiency, products and markets, financing, and reputational capital.

Table 7. Nature-related Opportunities

Nature-related Opportunities
Regulatory Readiness and Transparency • Proactively align with evolving environmental regulations and disclosure requirements. • Demonstrate commitment to responsible and sustainable business practices. • Integrate nature-related risks into enterprise risk management and business decision-making. • Strengthen collaboration with regulators and policymakers to support the development of nature-related policies.
Operational Efficiency and Resilience • Improve operational efficiency through resource optimization and circular economy practices. • Enhance business resilience by strengthening emergency preparedness and business continuity management. • Conduct biodiversity risk assessments to support informed operational planning and decision-making.
Products, Markets and Financing • Develop innovative and sustainable products with lower environmental impacts. • Expand circular business opportunities and resource-efficient solutions. • Explore biodiversity-linked financing opportunities.
Reputational capital • Strengthen corporate reputation through effective biodiversity management. • Build stakeholder trust through transparent engagement and sustainability disclosures. • Foster collaboration with customers, suppliers, local communities, and other stakeholders to support nature-positive outcomes.

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LEAP approach: Prepare – Mitigation Hierarchy and Strategic Response

As part of the Prepare phase, Indorama Ventures applies the mitigation hierarchy to avoid, minimize, restore, and offset nature-related impacts where appropriate. This approach supports the integration of biodiversity considerations into decision-making and guides the implementation of effective mitigation measures across our operations.

Avoid impacts wherever possible through responsible site selection, operational planning, and our commitment to no deforestation.

Minimize impacts that cannot be avoided by reducing their duration, intensity, and extent through operational controls and mitigation measures.

Restore or rehabilitate degraded ecosystems where impacts cannot be fully avoided or minimized.

Offset residual adverse impacts only after avoidance, minimization, and restoration measures have been applied, where appropriate.

Further information on our response measures and strategic integration is provided in the Risk and Impact Management section.

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RISK AND IMPACT MANAGEMENT

Indorama Ventures integrates the outputs from its biodiversity assessments into its risk and impact management process. IBAT and the WWF Biodiversity Risk Filter support location-based biodiversity screening and site prioritization, while ENCORE provides a sector-level assessment of nature-related dependencies and impacts. Together, these assessments support further assessment and mitigation and inform the development of biodiversity action plans, risk mitigation measures, and nature-related financial scenario analyses.

Based on the WWF Biodiversity Risk Filter assessment, 15 operational sites were identified as having relatively high biodiversity-related physical risk. These sites are subject to ongoing monitoring, and we assessed the potential financial implications under scenarios where severe biodiversity-related impacts could result in operational disruptions or temporary plant shutdowns.

Although no significant biodiversity-related incidents occurred in 2025, we conducted a scenario analysis to estimate the potential financial impacts should such events occur. The analysis estimates potential production exposure and EBITDA impacts based on 2025 operational data. The results are summarized in the table.

Table 8. Estimated Financial Impacts under Biodiversity-related Physical Risk Scenarios

Number of Sites with Relatively High Biodiversity-related Physical Risk	Estimated Production Subject to Risk of Loss (Million tons)	Estimated EBITDA Exposure (THB million)	Estimated EBITDA Loss under Shutdown Scenarios (THB million)		
			30 Days	60 Days	90 Days
15	**1.52** *(10.03% Total production)*	**3,215.92**	**264.32**	**528.64**	**792.97**

Note: In 2025, total production including intercompany sales volume was 15.16 million tons and Group EBITDA was THB 32,074.6 million.

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LEAP approach: Prepare – Nature-related Action Plan

Based on our biodiversity assessments, Indorama Ventures has developed a roadmap of short-, medium-, and long-term actions to strengthen nature-related risk management across the organization. As our approach to biodiversity continues to evolve, we are progressively integrating nature-related risks into our enterprise risk management framework and business strategy. Building on our experience in climate risk management and decarbonization, we will continue expanding our assessment and management approach to address broader nature-related dependencies, impacts, risks, and opportunities.

Table 9. Nature-related Action Plan Roadmap

Goals	Short-term (0-5 years)	Mid-term (6-10 years)	Long-term (11-30 years)
Strengthen biodiversity management at sites with relatively high biodiversity-related physical risk.	• Raise employee awareness and build biodiversity knowledge. • Integrate biodiversity considerations into the corporate risk management process. • Develop Biodiversity Risk Mitigation Action Plans (BRMAPs) for priority sites. • Reassess biodiversity risks every two years.	• Expand biodiversity assessments using additional indicators and metrics. • Implement BRMAPs across all Indorama Ventures sites. • Establish biodiversity-related targets. • Develop a global biodiversity policy, incorporating existing no-deforestation commitments.	• Monitor progress against biodiversity targets and regularly review performance. • Implement mitigation actions across operations, suppliers, and products based on assessment results.

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Integrated Nature-related Risk Assessment

Recognizing the interconnections between climate change, water stress, and biodiversity loss, Indorama Ventures adopts an integrated approach to nature-related risk management through the Nature Link assessment. The assessment integrates the outputs from the **Marsh Climate Risk Assessment, WRI Aqueduct Water Stress Assessment, and WWF Biodiversity Risk Filter** to identify sites exposed to multiple high-risk factors and provide an integrated view of overlapping site-level risk exposure. Six sites were identified as having high-risk factors across all three areas, and the assessment results were communicated to the relevant site teams for further assessment and integrated risk management.

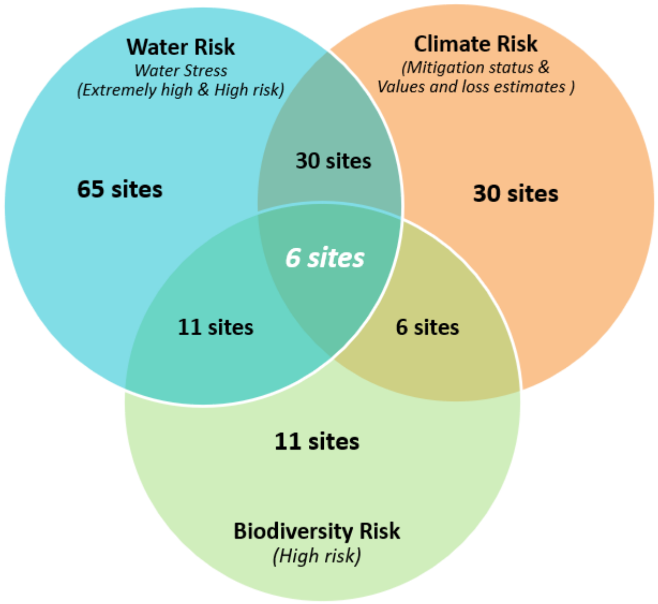

Figure 2. Integration of High-Risk Climate, Water, and Biodiversity Sites through the Nature Link Assessment

The figure presents the results of the Nature Link assessment, which integrated climate, water, and biodiversity risk assessments using the most recent data and methodologies available at the time the assessment was conducted. As the underlying assessments were performed for different purposes, time periods, and assessment boundaries, the numbers shown are not directly comparable and do not represent the total number of operational sites. The overlapping areas indicate sites exposed to multiple high-risk factors.

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METRICS AND TARGETS

Protecting and restoring nature is fundamental to achieving Indorama Ventures' sustainability ambitions. While we have not yet established dedicated nature-related targets, biodiversity considerations are integrated into our broader sustainability strategy through targets related to climate, water, circular economy, resource efficiency, and waste management. Together, these targets support efforts to reduce nature-related impacts and contribute to biodiversity conservation and ecosystem resilience. As our nature-related assessment continues to evolve, we will continue to evaluate opportunities to develop dedicated nature-related metrics and targets informed by our assessment results and the TNFD recommendations.

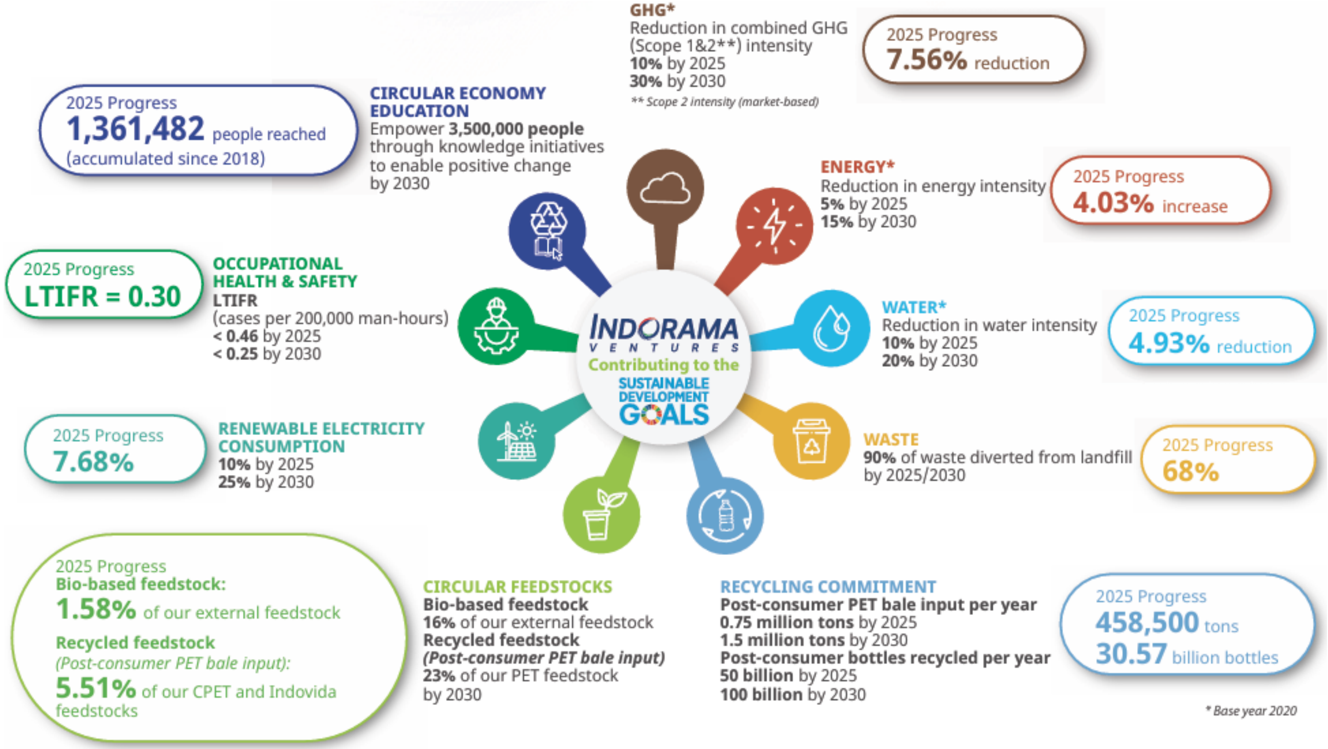

Figure 3. Performance in Our Sustainability Ambitions

For more information on activities related to each topic, please visit our website and our sustainability report.

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CONCLUSION

Indorama Ventures is committed to understanding and managing its nature-related dependencies, impacts, risks, and opportunities as part of its broader sustainability strategy. Guided by the Taskforce on Nature-related Financial Disclosures (TNFD) recommendations, we have applied the LEAP approach to locate our interfaces with nature, evaluate dependencies and impacts, assess risks and opportunities, and prepare appropriate responses. These assessments provide a stronger foundation for integrating nature-related considerations into strategic decision-making, risk management, and long-term business resilience.

Building on these assessments, Indorama Ventures has strengthened its approach to nature-related risk management through the integration of biodiversity, water, and climate risk assessments. The application of the mitigation hierarchy, biodiversity action planning, and this integrated approach enables us to prioritize high-risk locations, inform appropriate mitigation measures, and continuously enhance our understanding of nature-related risks and opportunities. This approach supports our commitment to responsible environmental stewardship while strengthening operational resilience.

Looking ahead, we will continue to enhance our nature-related disclosures, strengthen biodiversity governance, and further integrate nature-related considerations into our enterprise risk management and business strategy. Through collaboration with stakeholders across our value chain, we remain committed to supporting biodiversity conservation, promoting sustainable resource management, and supporting the transition toward nature-positive outcomes.

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Appendix

List of Abbreviations

BRMAP - Biodiversity Risk Mitigation Action Plan

ENCORE - Exploring Natural Capital Opportunities, Risks and Exposure

IBAT - Integrated Biodiversity Assessment Tool

TNFD - Taskforce on Nature-related Financial Disclosures

TCFD - Task Force on Climate-related Financial Disclosures

SDGs - Sustainable Development Goals

WWF – World Wide Fund for Nature

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Thank you

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