

Part 2

Management and Corporate Governance

7. Securities Information and Shareholders

7.1 Securities of the Company

As of 31 December 2014, Indorama Ventures Public Company Limited had the Registered Capital of Baht 5,666,010,449 divided into 5,666,010,449 ordinary shares with the par value of Baht 1 per share and Paid-up Capital of Baht 4,814,257,245 divided into 4,814,257,245 ordinary shares with the par value of Baht 1 per share

7.2 Shareholders

1) Major Shareholders of IVL (as of December 31, 2014)

a) Top Ten Major Shareholders

No.	Shareholders	No. of Shares	%
1.	Indorama Resources Ltd. ¹	3,066,038,376	63.69
2.	Bangkok Bank PCL. ²	230,180,944	4.78
3.	Thai NVDR Ltd.	170,626,664	3.54
4.	Canopus International Limited ¹	130,000,000	2.70
5.	Mr. Thaweechat Chulangkul ³	101,995,700	2.12
6.	State Street Bank Europe Limited	64,791,297	1.35
7.	Mr. Natthaphol Chulangkul ³	53,809,700	1.12
8.	HSBC (Singapore) Nominees PTE Ltd.	37,117,487	0.77
9.	The Hongkong and Shanghai Banking Corporation Limited, Fund Services Department	27,621,858	0.57
10.	State Street Bank and Trust Company	26,965,252	0.56
11.	Nortrust Nominees Limited-NT0 SEC Lending Thailand CL AC	24,704,912	0.51

Remarks:	¹ Group of Lohia Family	No. of Shares	%
-	Indorama Resources Ltd.*	3,066,038,376	63.69
-	Canopus International Limited**	130,000,000	2.70
-	Mr. Alope Lohia	10	0.00
-	Mr. Anuj Lohia	10	0.00

* Owned by Canopus International Limited 99.98%

** Mr. Alope Lohia and his immediate family have voting rights of up to 76% and an equity interest of up to 49% in Canopus International Limited while Mr. Sri Prakash Lohia and his immediate family have voting rights of up to 24%, and equity interest of up to 51%, in Canopus International Limited

² Group of Bangkok Bank	No. of Shares	%
- Bangkok Bank PCL.	230,180,944	4.78
- Bangkok Insurance PCL.	449,944	0.01
³ Group of Chulangkul Family	No. of Shares	%
- Mr. Thaweechat Chulangkul	101,995,700	2.12
- Mr. Natthaphol Chulangkul	53,809,700	1.12
- Mrs. Hathairat Chulangkul	2,700,000	0.06

- b) The majority of shareholders who have the control or influence on the management of setting the corporate policy and strategy of the Company*

Group of Lohia Family holds in IVL's shares at 66.39 percent

- c) The ultimate shareholders of the Company*

Indorama Resources Ltd.* holds 63.69 percent and Canopus International Limited ** holds 2.70 percent in IVL's shares respectively.

Remarks: * Owned by Canopus International Limited 99.98%

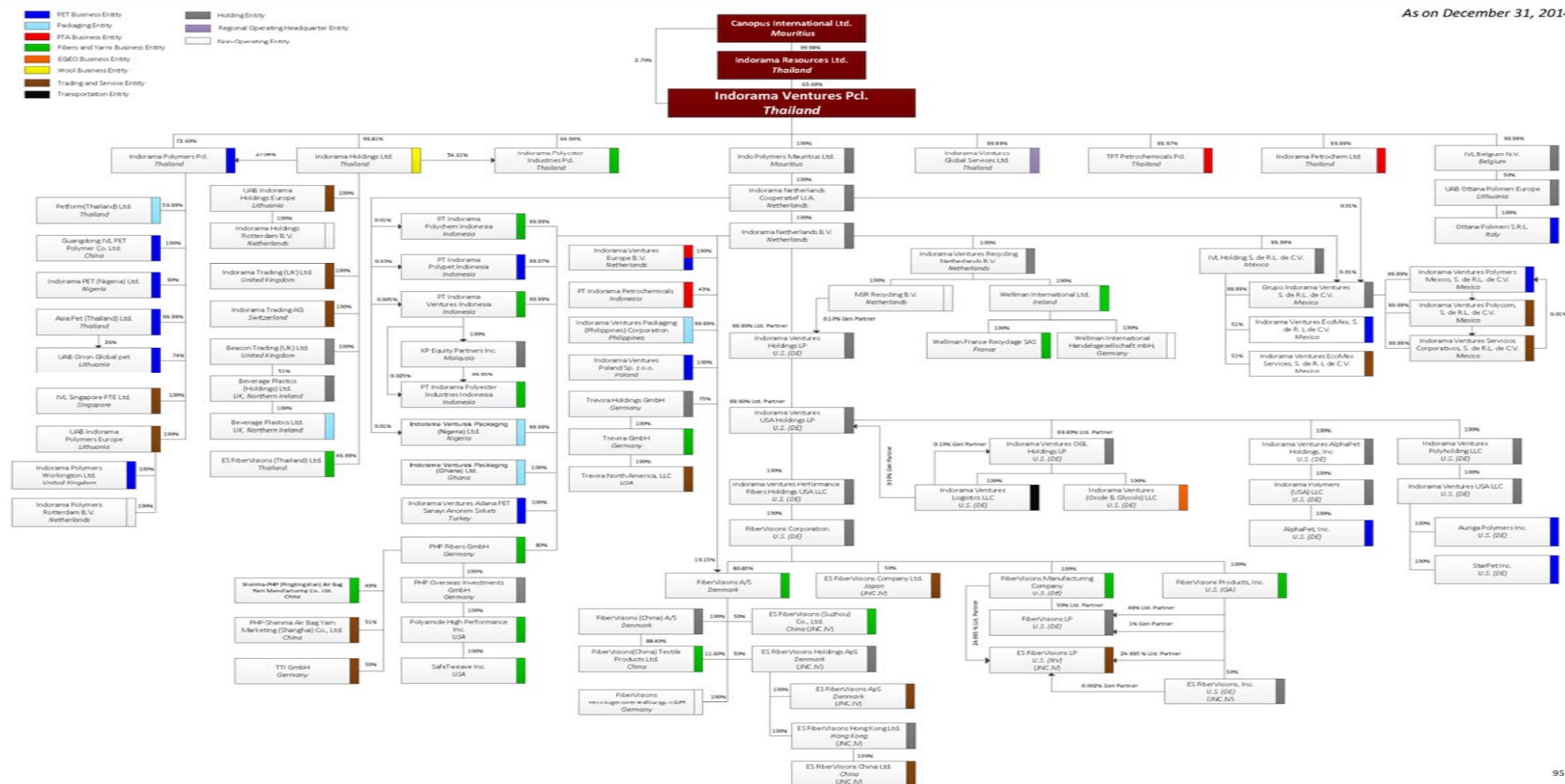
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2) Shareholders' Information of Core Business Subsidiaries

IVL Group Corporate Structure



As on December 31, 2014



3) Shareholders' Agreement

- None -

7.3 Debenture

The extraordinary general meeting of shareholders held on 22 September 2011 and the annual general meeting of shareholders held on 29 April 2013 approved the issue of debentures up to an amount not exceeding Baht 25,000 million and Baht 25,000 million, respectively (totally Baht 50,000 million).

As at 31 December 2014, the Company had outstanding unsubordinated and unsecured debentures totalling Baht 27,550 million and the subordinated perpetual debentures totalling Baht 15,000 million as follows:

Debenture issued on 19 October 2011:

Symbol	Name of Debenture	Amount (MB)	Interest Rate per year	Term of Issue	Maturity Date
IVL16OA	Debentures of INDORAMA VENTURES No. 1/2011 Tranche 1	210	Year 1-3: 4.50% Year 4-5: 5.05%	5 years	19 October 2016
IVL18OA	Debentures of INDORAMA VENTURES No. 1/2011 Tranche 2	98	Year 1-4: 4.75% Year 5-7: 5.50%	7 years	19 October 2018
IVL21OA	Debentures of INDORAMA VENTURES No. 1/2011 Tranche 3	37	Year 1-4: 5.00% Year 5-8: 5.50% Year 9-10: 6.00%	10 years	19 October 2021
IVL16OB	Debentures of INDORAMA VENTURES No. 1/2011 Tranche 4	2,690	4.70%	5 years	19 October 2016
IVL18OB	Debentures of INDORAMA VENTURES No. 1/2011 Tranche 5	1,302	5.04%	7 years	19 October 2018
IVL21OB	Debentures of INDORAMA VENTURES No. 1/2011 Tranche 6	3,163	5.35%	10 years	19 October 2021
Total		7,500			

Debenture issued on 5 April 2012:

Symbol	Name of Debenture	Amount (MB)	Interest Rate per year	Term of Issue	Maturity Date
IVL174A	Debentures of INDORAMA VENTURES No. 1/2012 Tranche 1	1,500	Year 1-3: 4.45% Year 4-5: 5.20%	5 years	5 April 2017

Symbol	Name of Debenture	Amount (MB)	Interest Rate per year	Term of Issue	Maturity Date
IVL224A	Debentures of INDORAMA VENTURES No. 1/2012 Tranche 2	1,250.50	Year 1-3: 5.10% Year 4-7: 5.60% Year 8-10: 6.00%	10 years	5 April 2022
IVL174B	Debentures of INDORAMA VENTURES No. 1/2012 Tranche 3	2,500	4.73%	5 years	5 April 2017
IVL194A	Debentures of INDORAMA VENTURES No. 1/2012 Tranche 4	1,500	5.09%	7 years	5 April 2019
IVL224B	Debentures of INDORAMA VENTURES No. 1/2012 Tranche 5	2,649.50	5.52%	10 years	5 April 2022
Total		9,400			

Debenture issued on 14 December 2012:

Symbol	Name of Debenture	Amount (MB)	Interest Rate per year	Term of Issue	Maturity Date
IVL18DA	Debentures of INDORAMA VENTURES No. 2/2012 Tranche 1	780	4.52%	6 years	14 December 2018
IVL20DA	Debentures of INDORAMA VENTURES No. 2/2012 Tranche 2	880	4.78%	8 years	14 December 2020
IVL22DA	Debentures of INDORAMA VENTURES No. 2/2012 Tranche 3	1,645	5.11%	10 years	14 December 2022
IVL24DA	Debentures of INDORAMA VENTURES No. 2/2012 Tranche 4	1,475	5.28%	12 years	14 December 2024
Total		4,780			

Debenture issued on 27 June 2013:

Symbol	Name of Debenture	Amount (MB)	Interest Rate per year	Term of Issue	Maturity Date
IVL186A	Debentures of INDORAMA VENTURES No. 1/2013 Tranche 1	550	4.40%	5 years	27 June 2018
IVL206A	Debentures of INDORAMA VENTURES No. 1/2013 Tranche 2	520	4.70%	7 years	27 June 2020

Symbol	Name of Debenture	Amount (MB)	Interest Rate per year	Term of Issue	Maturity Date
IVL236A	Debentures of INDORAMA VENTURES No. 1/2013 Tranche 3	1,100	5.10%	10 years	27 June 2023
Total		2,170			

Debenture issued on 14 March 2014:

Symbol	Name of Debenture	Amount (MB)	Interest Rate per year	Term of Issue	Maturity Date
IVL173A	Debentures of INDORAMA VENTURES No. 1/2014 Tranche 1	1,500	4.00%	3 years	14 March 2017
IVL193A	Debentures of INDORAMA VENTURES No. 1/2014 Tranche 2	800	4.50%	5 years	14 March 2019
IVL243A	Debentures of INDORAMA VENTURES No. 1/2014 Tranche 3	1,400	5.30%	10 years	14 March 2024
Total		3,700			

Debenture issued on 31 October 2014:

Symbol	Name of Debenture	Amount (MB)	Interest Rate per year	Term of Issue	Maturity Date
IVL14PA	Subordinated Perpetual Debentures of Indorama Ventures Public Company Limited No. 1/2014	15,000	7.00%	Perpetual	Redemption Upon Liquidation
Total		15,000			

7.4 Dividend Policy

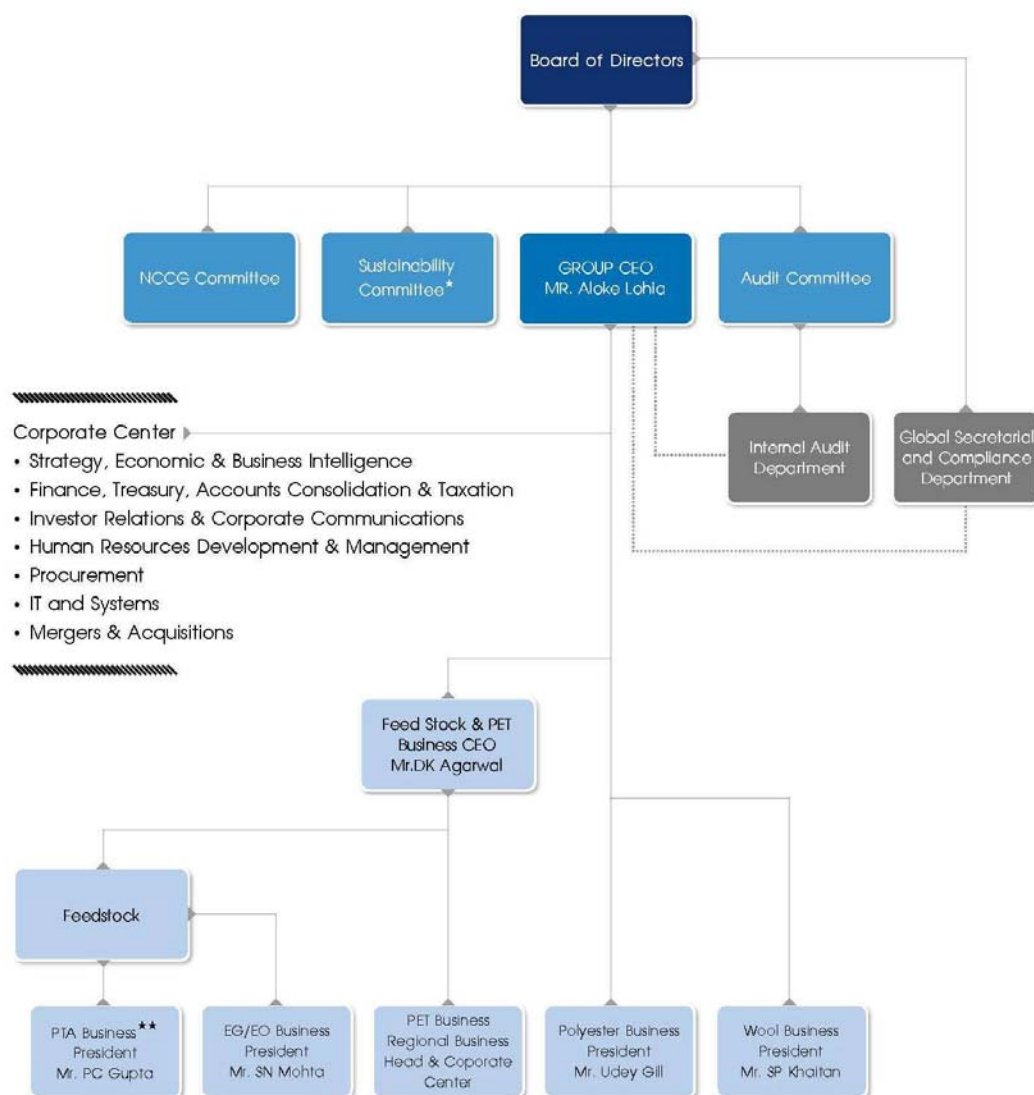
Dividend Policy of the Company

According to the Company's policy on dividend payment, dividend will be paid at not less than 30% of the net profit after tax and the appropriation to the legal reserve. However, the Board of Directors shall have the authority to consider waiving or amending such dividend policy subject to the condition that it will bring the greatest benefit to the shareholders, such as to use such portion of the net profit as a reserve for debt repayment, capital investment for production expansion or as a support in case of changing market conditions which would affect the Company's future cash flows.

Dividend Policy of the IVL Subsidiaries Company

The payout of dividend by the IVL subsidiaries to IVL is up to 80% of their net profit after tax and after appropriation to legal reserve. However the board of directors of the subsidiaries will consider the dividend payment, and may amend the dividend policy, by taking into account the reserves for debt payment, capital investment, changing market conditions or as required to manage the future cash flows.

8. Management Structure



* Formerly Enterprise Risk Management (ERM) Committee

** Mr. Sunil Fotedar replaced Mr. PC Gupta as President of PTA business effective on 9 January 2015

8.1 The Board of Directors and Management

Name	Position	Appointment Date of Directorship
1. Mr. Sri Prakash Lohia	Chairman of the Board	19 September 2009
2. Mr. Alope Lohia	Vice Chairman of the Board, Chairman of the Sustainability Committee, Member of the Nomination, Compensation and Corporate Governance Committee and Group Chief Executive Officer	19 September 2009
3. Mrs. Suchitra Lohia	Director and Chairperson of Corporate Social Responsibility Committee	19 September 2009
4. Mr. Amit Lohia	Director	19 September 2009
5. Mr. Sashi Prakash Khaitan	Director and President of Wool Business	19 September 2009
6. Mr. Rathian Srimongkol	Independent Director, Vice Chairman of the Board, Chairman of the Audit Committee and Member of the Sustainability Committee	19 September 2009
7. Mr. William Ellwood Heinecke	Independent Director, Chairman of the Nomination, Compensation and Corporate Governance	19 September 2009
8. Mr. Dilip Kumar Agarwal	Director, Member of the Sustainability Committee and Chief Executive Officer of Feed Stock and PET Business	27 April 2010
9. Mr. Maris Samaram	Independent Director, Member of the Audit Committee and Member of the Sustainability Committee	27 April 2010
10. Dr. Siri Ganjarende	Independent Director and Member of the Nomination, Compensation and Corporate Governance Committee	27 April 2010
11. Mr. Kanit Si	Independent Director and Member of the Nomination, Compensation and Corporate Governance Committee	27 April 2010
12. Mr. Udey Paul Singh Gill	Director, Member of the Sustainability Committee and President of Polyester Business	27 April 2011
13. Mr. Apisak Tantivorawong	Independent Director	29 April 2013
14. Mr. Russell Leighton Kekuewa [★]	Independent Director and Member of the Sustainability Committee	20 October 2014

[★] Mr. Russell Leighton Kekuewa was appointed as Independent Director in place of Mr. Chakramon Phasukavanich on Oct 20, 2014

The Authorized Directors

The Authorized Directors to sign on behalf of the Company are any two of Mr. Alope Lohia, Mrs. Suchitra Lohia, Mr. Sashi Prakash Khaitan and Mr. Dilip Kumar Agarwal jointly signs with the Company's seal affixed.

Composition of the Board of Directors

There are 5 executive directors, (1) Mr. Alope Lohia, (2) Mrs. Suchitra Lohia, (3) Mr. Sashi Prakash Khaitan (4) Mr. Dilip Kumar Agarwal and (5) Mr. Udey Paul Singh Gill

There are 7 independent directors, (1) Mr. Rathian Srimongkol, (2) Mr. William Ellwood Heinecke, (3) Mr. Maris Samaram, (4) Dr. Siri Ganjarerndee, (5) Mr. Kanit Si, (6) Mr. Apisak Tantivorawong and (7) Mr. Russell Leighton Kekuwa and there are 2 non-executive directors, (1) Mr. Sri Prakash Lohia and (2) Mr. Amit Lohia

Roles, Duties and Responsibilities of the Board

Please see the details under the topic of "Corporate Governance Report"

Sub-Committees

Indorama Ventures Public Company Limited consists of 3 sub-committees, namely, the Audit Committee, the Nomination, Compensation and Corporate Governance Committee and the Sustainability Committee (Formerly Enterprise Risk Management Committee), the details of each sub-committee are provided under the topic of "Corporate Governance Report".

Board Meetings

Meetings in 2014						
Name	Board of Directors (7 times)	Audit Committee (6 times)	Nomination, Compensation and Corporate Governance Committee (3 times)	Enterprise Risk Management Committee (2 times)	Independent Directors (1 time)	AGM
1. Mr. Sri Prakash Lohia	5/7	-	-	-	-	1/1
2. Mr. Alope Lohia	5/7	-	3/3	2/2	-	1/1
3. Mrs. Suchitra Lohia	4/7	-	-	-	-	1/1
4. Mr. Amit Lohia	5/7	-	-	-	-	1/1
5. Mr. Sashi Prakash Khaitan	7/7	-	-	-	-	1/1
6. Mr. Rathian Srimongkol	7/7	6/6	-	2/2	1/1	1/1
7. Mr. William Ellwood Heinecke	4/7	-	2/3	-	1/1	1/1
8. Mr. Dilip Kumar Agarwal	7/7	-	-	2/2	-	1/1

Meetings in 2014						
Name	Board of Directors (7 times)	Audit Committee (6 times)	Nomination, Compensation and Corporate Governance Committee (3 times)	Enterprise Risk Management Committee (2 times)	Independent Directors (1 time)	AGM
9. Mr. Maris Samaram	7/7	6/6	-	2/2	1/1	1/1
10. Dr. Siri Ganjarerndee	6/7	1/1**	3/3	-	1/1	1/1
11. Mr. Kanit Si	7/7	-	3/3	-	1/1	1/1
12. Mr. Udey Paul Singh Gill	6/7	-	-	1/2	-	1/1
13. Mr. Apisak Tantivorawong	5/7	-	-	-	1/1	1/1
14. Mr. Russell Leighton Kekuwa	1/1*	-	-	-.*	-.*	-.*

Remarks: * Mr. Russell Leighton Kekuwa was appointed as IVL Directors on 20 October 2014

* Dr. Siri Ganjarerndee was appointed as the Member of Audit Committee on 20 October 2014

Executives

As of 31 December 2014, IVL's executives are:

Name	Position
1. Mr. Alope Lohia	Group Chief Executive Officer
2. Mrs. Suchitra Lohia	Chairperson of Corporate Social Responsibility Committee
3. Mr. Dilip Kumar Agarwal	Chief Executive Officer of Feed Stock and PET Business
4. Mr. Sashi Prakash Khaitan	President of Wool Business
5. Mr. Udey Paul Singh Gill	President of Polyester Business
6. Mr. Prem Chandra Gupta*	President of PTA Business
7. Mr. Satayanarayan Mohta	President of EG/EO Business
8. Mr. Sanjay Ahuja	Head of Finance
9. Mr. Manoj Sharma	Head of Account

*Mr. Sunil Fotedar replaced Mr. Prem Chandra Gupta as President of PTA business effective on 9 January 2015

8.2 The Company Secretary

The Board of Directors of the Company has appointed Mr. Souvik Roy Chowdhury as the Company Secretary of the Company effective on 15 February 2010.

Duties and Responsibilities of the Company Secretary

The Company secretary must perform the duties as prescribed in Section 89/15 and Section 89/16 of Securities and Exchange Act (No.4) B.E.2551, effective 31 August 2008 with responsibility, carefulness and honesty and must comply with the laws, objectives, Articles of Association, resolution of the board of Directors as well as resolution of Shareholders. The duties of Company Secretary prescribed by the law are as follows:

1. Preparing and keeping the following documents
 - a. Register of Directors
 - b. Notice of Board of Directors Meeting, Minutes of Board of Directors Meeting and annual report
 - c. Notice of the Shareholders Meeting and Minutes of Shareholders Meeting
2. Keeping reports of interest filed by Directors and Executives and present reports of interest in Section 89/14 to Chairman of the Board and Chairman of Audit Committee for acknowledge within 7 days from the date it is received by the Company;
3. Performing any other acts as determined by the Capital Market Supervisory Board

In addition, the Company Secretary has other duties as assigned by the Company as follows:

- Providing basic advice pertaining to the securities laws and regulations and Articles of Association as well as monitoring compliance on a regular basis and reporting any significant changes to the Board.
- Arranging the Shareholders Meeting and the Board of Directors Meeting in accordance with the laws, regulations and related best practices.
- Preparing minutes of the Shareholders Meeting and the Board of Directors Meeting, and monitoring subsequent compliance with the resolutions of those meetings.
- Preparing and keeping registrations of directors, annual reports, notice of the Shareholders Meeting, notice of Board of Directors Meeting, minutes of the Shareholders Meeting and the Board of Directors Meeting.
- Keeping reports of interest filed by directors and executives, and presenting such reports as specified by the relevant laws.
- Ensuring statutory compliances across all subsidiaries.
- Ensuring that corporate information disclosures to regulatory agencies are in accordance with the laws and regulations.
- Timely reporting of all necessary disclosures to SEC and SET.

- Assisting in Board activities including provide preliminary advice and recommendations pertaining to legal, regulatory, corporate governance issues and best practices related to the Board and Committees.

8.3 Remuneration of Directors and Management

The remuneration of directors and management of IVL, please see the details in the topic of “Corporate Governance Report”. For the remuneration amount paid to independent director of IVL as an independent director of subsidiaries, please see the details as below:

Name	Subsidiaries	Type of Remuneration	Amount Paid in 2014 (Baht)
Mr. Kanit Si	Indorama Polyester Industries PCL	Monthly Remuneration and Bonus	700,000
	TPT Petrochemicals PCL	Monthly Remuneration and Meeting Fee	640,000

8.4 Personnel

Please see the details in the topic of “Corporate Governance Report” under “People” Section

9. Corporate Governance Report 2014

Indorama Ventures PCL (IVL) is committed to the highest standards of corporate governance and strongly believes in striking a balance between economic and social goals.

The Board of Directors believes that corporate governance is a key to create credibility for the company as it enables the company to a sustainable growth and increases long term value for its various stakeholders. The Board and management therefore are strongly committed to the implementation and practice of the Corporate Governance principles and this reflects our adherence to what is fair, right and legal in the most transparent and ethical manner.

9.1 Corporate Governance Policy

IVL has in place a written Corporate Governance Policy that follows the guidelines set out by the SET and the criteria of Corporate Governance of OECD principles covering the following: a) Rights of Shareholders b) Equitable treatment of Shareholders c) Role of Stakeholders d) Disclosure and transparency e) Responsibility of the Board of Directors. The Policy defines the framework of duties and responsibilities of the Board of Directors, management and employees.

IVL Corporate Governance Awareness Campaign 2014

The Corporate Governance Policy Awareness Campaign (CGPAC) which was rolled out in 2013 by the Board has been successfully implemented across all IVL units globally including those that were acquired during the year. The CGPAC Committee has during 2014 continuously monitored the progress through a dedicated resource and provided its guidance and support in establishing a strong awareness amongst all IVL associates in not only understanding all the Corporate Governance related policies but also its implementation in the true spirit that they were created.

CGPAC is a continuous program of training, seminars and monitored implementation. To ensure clear understanding by all, the Company has been encouraging translation of all the policies into the local language. Currently we have translations in 12 languages and they are all uploaded on the Company website. Policies handbook containing all the policies are made available to all employees. In Thailand, a new handbook was distributed to all employees for their acknowledgement. All site heads are responsible for the implementation of CGPAC and will report results of the implementation to the CGPAC committee who in turn will make a report for the year 2014 to the Board in February 2015,. All Site/HR heads ensure that all new employees are provided with a policies handbook. The new employees are required to acknowledge that they have read and understood the policies and sign the code of conduct. This initiative has ensured that all new staff is aware of the program and 61% of all IVL sites have fully implemented training courses that are either live seminars or online self-learning courses. The CGPAC Committee will facilitate further training in 2015 and implement an online test of knowledge.

Part of the website has been designed to ensure employees can access the latest information and revisions of all policies. During the year, the Company also updated the information on the Corporate Governance section of the website to be consistent with the requirements of “**Transparency International**”.

All Corporate Governance Policies are reviewed annually. The CGPAC Committee will submit their recommendations to the Board in January 2015.

In January 2014, the Board approved the “Anti-Corruption Policy” of the Company. The Company has undertaken training courses as detailed in the Anti-Corruption and Bribery section below.

All policies of the Company are available on its website www.indoramaventures.com under the Corporate Governance section.

For the continued practice of good Corporate Governance in 2014 the Company received the following assessment and awards:

1. **A score of 100 percent for the 2014 Annual General Meeting** of Shareholders, judged by the Thai Investors Association. This was the third year in succession.
2. An **“Excellent - 5 Star” CG score** in the practice of **Corporate Governance of Thai Listed Companies 2014** which was carried out by Thai Institute of Directors (IOD) in conjunction with Stock Exchange and Security Exchange Commission of Thailand. An excellent CG scoring is the highest possible scoring and is awarded to firms with a score of 90-100 percent. IVL scored 91 percent. This is the second consecutive year that IVL received the “5 star” rating.
3. IVL received the prestigious **“Best Corporate Governance Report 2014”** award from the Stock Exchange of Thailand at the SET Awards 2014.
4. IVL received the **Collective Action Coalition Against Corruption (CAC) certification** from the Institute of Directors in October 2014. The Company became a signatory in 2013.
5. IVL won the **CSR Recognition award** from SET in 2014.
6. **Outstanding Sustainability Report** award from SET in 2014.

The IOD invited the GCEO Mr. Alope Lohia to speak on “The Tone from the Top” regarding the Company’s progress in Anti-Corruption.

9.2 Sub-Committees

The IVL Board has appointed the following three sub-committees- (a) Audit Committee, (b) Nomination, Compensation and Corporate Governance Committee and (c) Enterprise Risk Management Committee.

Audit Committee

The Audit Committee consists of three members with Mr. Rathian Srimongkol as Chairman, and Mr. Chakramon Phasukavanich⁺ and Mr. Maris Samaram as members. All members are Independent Directors and have the requisite experience and knowledge to review financial statements. The present Audit Committee was appointed in 2013 for a two-year term, expiring on September 18, 2015.

The Audit Committee held six meetings during the year with the attendance of members as follows:

Name	Attendance
Mr. Rathian Srimongkol *	6/6
Mr. Chakramon Phasukavanich+	4/5
Mr. Maris Samaram *	6/6
Dr. Siri Ganjarerndee*++	1/1

* Mr. Rathian Srimongkol, Mr. Maris Samaram and Dr. Siri Ganjarerndee have accounting knowledge to review financial statements

+ Mr. Chakramon Phasukavanich resigned from the Board of Directors and Audit Committee on August 27 2014 to take up public office

++ Dr. Siri Ganjarerndee was appointed by the Board of Directors as an Audit Committee Member to replace Mr. Chakramon Phasukavanich at their meeting no 6/2014 dated October 20, 2014.

The main duties and responsibilities of the Audit Committee include:

1. To review the Company's financial reporting process to ensure that it is accurate and adequate;
2. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit;
3. To review the Company's compliance with the law on securities and exchange, the regulations of the Stock Exchange of Thailand, and the laws relating to the Company's business;
4. To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year;
5. To review the connected transactions, or the transactions that may lead to conflicts of interest, to ensure that they are in compliance with the laws and the regulations of the Stock Exchange of Thailand, and are reasonable and for the highest benefit of the Company;
6. To prepare, and to disclose in the Company's annual report, an Audit Committee's report which must be signed by the Chairman of the Audit Committee and consist of at least the following information: an opinion on
 - (a) the accuracy, completeness and credibility of the Company's financial report;
 - (b) the adequacy of the Company's internal control system;
 - (c) the compliance with the law on securities and exchange, the regulations of the Stock Exchange of Thailand, or the laws relating to the Company's business;
 - (d) the suitability of an auditor;
 - (e) the transactions that may lead to conflicts of interests;
 - (f) the number of the Audit Committee meetings, and the attendance at such meetings by each committee member;
 - (g) Other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors.
7. It may also perform any other act as assigned by the Company's Board of Directors, with the approval of the Audit Committee.

The Chairman of the Audit Committee reported on the Committee's activities to the Board, immediately following its meetings. Between meetings, the Committee reviewed emerging issues with the management team, Chief of Internal Audit and with the statutory auditors. The Minutes of the Audit Committee form part of the Board papers every quarter.

The Audit Committee Report on its performance to the shareholders is separately disclosed in the Annual Report.

Internal Audit

The Company has its own Internal Audit Department, Internal Audit Manual and Internal Audit Charter. The department Chief is Mr. Anil Ailani. The Internal Audit Department is entrusted to carry out internal audit activities of the Company and its subsidiaries under the supervision of the Chief of Internal Audit. The Internal Audit Department reports functionally to the Audit Committee. A detailed plan for the year is formulated for the units and approved by the Audit Committee which then reviews the work of the Internal Audit Department against the plan periodically and makes recommendations to management. In 2014, the audit was carried out for Thai units and several overseas units. The Secretary of Audit Committee follows up on the implementation of recommendations and reports the progress to the Audit Committee and also undertakes periodic checks to ensure compliance with statutory and regulatory requirements.

Nomination, Compensation and Corporate Governance Committee (NCCG)

The term of the current NCCG Committee consisting of Mr. William Ellwood Heinecke as Chairman, Mr. Alope Lohia, Dr. Siri Ganjarerndee and Mr. Kanit Si has been renewed for another two years expiring on May 2016 by the Board of Directors at their meeting no 3/2014 dated May 14, 2014. Other than Mr. Alope Lohia all other members are Independent Directors.

The Nomination, Compensation and Corporate Governance Committee held three meetings during 2014 with the attendance of members as follows:

Name	Attendance
Mr. William Ellwood Heinecke	2/3
Mr. Alope Lohia	3/3
Dr. Siri Ganjarerndee	3/3
Mr. Kanit Si	3/3

The main duties and responsibilities of the NCCG Committee include:

Nominating

The Committee has the following authority and responsibilities:

- To determine the composition of the Board and its Committees, and monitor and assess Board effectiveness.
- To lead the search for and identify suitable candidates qualified to become members of the Board. The Committee shall select candidates with the highest personal and professional integrity, with demonstrated and exceptional ability and judgment and who shall be most

effective, in conjunction with the other candidates and serving Directors, in collectively serving the long-term interests of the shareholders.

In addition the Committee shall consider the appropriate mix of skills, education, experiences, independence and knowledge i.e. a broad diversity to match with the Company's requirements.

In the event that the Committee is unable to identify suitable candidates, the Committee may use a professional search firm or IOD director pool as it deems appropriate.

- To assist the Board in developing and evaluating potential candidates for executive positions, including the chief executive officer, and to oversee the development of executive succession plans.
- To develop and to recommend to the Board for its approval, qualifications for director candidates, and to review these qualifications periodically.
- To review the Board of Directors' Committee structure and to recommend to the Board for its approval, Directors to serve as members of each Committee, and as Committee Chairs. The Committee shall review and recommend Committee candidates annually and shall recommend additional Committee members to fill vacancies as needed.
- To develop and recommend to the Board for its approval, a set of corporate governance principles, the Committee shall review the principles on an annual basis, or more frequently if appropriate, and recommend changes as necessary.
- To develop and recommend to the Board for its approval, an annual self-evaluation process for the Board and its Committees. The Committee shall oversee the annual self-evaluations.
- The Committee shall have the authority to delegate any of its responsibilities to subcommittees as appropriate.
- The Committee shall have the authority to retain any search firm engaged to assist in identifying director candidates, and to retain outside counsel and any other advisors as the Committee may deem appropriate. The Committee shall have authority to approve related fees and retention terms.
- The Committee shall report its actions and any recommendations to the Board and shall conduct and present to the Board an annual performance evaluation of the Committee.
- The Committee shall review the adequacy of its charter as required and recommend any proposed changes to the Board for approval.

Compensation

The Committee shall have the following authority and responsibilities:

- To review and approve on an annual basis the corporate goals and objectives with respect to compensation for the Group Chief Executive Officer (GCEO).
- The Committee shall evaluate at least once a year the GCEO's performance in light of these established goals and objectives and based upon these evaluations shall set the GCEO's annual compensation, including salary, bonus and equity and non-equity incentive compensation (if any).
- To review and approve on an annual basis the evaluation process and compensation structure for the Company's Executive Directors. The Committee shall evaluate the performance of the

Company's Executive Directors and shall approve the annual compensation, including salary, bonus and equity or non-equity incentive compensation, for such Executive Directors, based on initial recommendations from the GCEO. Moreover, the Committee shall maintain regular contact with the leadership of the Company. This should include interaction with the Company's leadership development activities, review of data from employee surveys and regular review of the results of the annual leadership evaluation process.

- To review and approve on an annual basis the evaluation process and compensation structure for senior executives. The Committee shall approve or may assign the Human Resources department to approve the annual compensation, including salary, bonus and equity and non-equity incentive compensation for senior executives.
- To review and discuss with management the Company's Compensation Discussion and Analysis (CD&A) and to recommend to the Board that the CD&A be included in the Company's annual report.
- The Committee has the authority to retain compensation consultants, outside counsel and other advisors as the Committee may deem appropriate. The Committee has the authority to approve related fees and retention terms.
- The Committee shall report its actions and any recommendations to the Board after each Committee meeting and shall conduct and present to the Board an annual performance evaluation of the Committee.

Corporate Governance

The Committee shall have the following duties with regard to corporate governance.

- Formulation of a corporate governance policy for consideration and adoption by the Board, monitoring compliance with that policy, and reviewing and adapting it on a continuing basis as appropriate.
- Coordinating the annual performance assessment of the Chairman of the Board, Individual Directors; the Board as a whole and Board Committees.
- Ensure processes are in place for maintaining the integrity of the Company-the integrity of the financial statements, the integrity of compliance with law and ethics, the integrity of relationships with customers and suppliers, and the integrity of relationships with other stakeholders;
- Ensure processes are in place for preventing and mitigating conflicts of interest for the best interest of the Company and its shareholders; and
- Ensure processes are in place for effective good governance, risk management, internal controls, and compliance.

A report from the NCCG Committee is provided in the Annual Report

Enterprise Risk Management Committee (ERM)*

*The Committee has been renamed as "Sustainability Committee" effective January 2015

The ERM Committee is chaired by Mr. Alope Lohia, the Group CEO and Vice-Chairman of the Board and other members of the Committee are Mr. Rathian Srimongkol, Independent Director, Vice-

Chairman of the Board and Chairman of the Audit Committee, Mr. Maris Samaram, Independent Director and Member of the Audit Committee, Mr. Dilip Kumar Agarwal, CEO of the Feedstock and PET Businesses and Mr. Udey Paul Sing Gill, President of the Polyester Business.

The ERM Committee held two meetings during the year with the attendance of members as follows:

Name	Attendance
Mr. Aloke Lohia	2/2
Mr. Rathian Srimongkol	2/2
Mr. Maris Samaram	2/2
Mr. DK Agarwal	2/2
Mr. Udey Paul Singh Gill	1/2

The main objectives of Enterprise Risk Management are:

- To embed a prudent 'risk culture' throughout the organization; to oversee overall risk management to ensure compliance with all applicable laws and regulations;
- To improve greater transparency and foresight into risk management across the organization, to ensure steady progress towards the organizational goal, to remain resilient and responsive to challenges and opportunities; and
- To identify and evaluate the impact of significant business risks (including economic downturn) on the organization and to mitigate the same by adapting appropriate strategies.

The main duties and responsibilities of the ERM Committee and Sub Committees are:

- To set up the policies and strategy for enterprise risk management framework of the Company including but not limited to the risk governance structure, risk tolerance, risk management etc.
- To review the Company's overall global risk exposure including but not limited to strategic risks, risks relating to compliances including environment, corruption risks, reputational risks including investors relations, credit risks, liquidity & funding risks and market risks etc.
- To review risks associated with growth plans of the Company, deviations from budgeted forecasts, impact of delays in implementation of the projects as approved by the Board including escalation in project costs.
- To ensure that sound policies, procedures and practices are in place for the enterprise-wide management of the Company's material risks and to report the results of the Committee's activities to the Board of Directors.
- To monitor the cyclicity of polyester industry, our strategy and approach.
- To carry out any other responsibilities and duties as delegated by the Board from time to time.
- To identify the risks, and to adopt appropriate risk management strategies to mitigate the risks.
- To evaluate the implementation and effectiveness risk management practices, to provide ongoing guidance and support for the refinement of the overall risk management framework ensuring best practices are incorporated.

- To propagate a 'risk averse culture' amongst all the employees in their respective business segments.
- To prepare appropriate procedures, practices and manuals in line with the policies.
- To review and ensure appropriate insurance coverage and other risk transfer arrangements.
- To develop the risk response process including contingency and business continuity plans.

A report from the ERM Committee is provided in the Annual Report under the name "Sustainability Committee Report"

9.3 Selection and Appointment of Directors and Group CEO

Directors

The selection, appointment and the withdrawal of the Board of Directors of Indorama Ventures PCL shall be as prescribed by the Articles of Association, which can be summarized as follows:

1. To conduct the business of the Company, the Board of Directors shall consist of at least five directors. Not less than one half of all directors shall have residence in the Kingdom of Thailand.
2. The appointment of a director shall be made by a majority vote of the shareholders meeting in accordance with the following conditions and procedures:
 - (a) A shareholder shall have one vote for each share;
 - (b) The shareholder shall vote for the election of each director in turn, person by person;
 - (c) Each shareholder may exercise all the votes he or she has (a) to elect one or several persons as a director or directors, but the shareholder cannot divide his or her votes to any nominated director by any an allotment of shares of any number;
 - (d) The persons receiving the most votes are those who are elected to be directors, in descending order, to the number of directors who are to be elected. If there is a tie in the last to be elected and this exceeds the said number of directors, the presiding chairman shall have an additional casting vote.
3. At every annual general meeting, one-third of the total number of the directors shall vacate office. If the number is not a multiple of three, then the number nearest to one-third must retire from the office. The directors to retire during the first and second years following the registration of the Company shall be drawn by lots. In subsequent years, the director who has been in office for the longest term shall retire. A retiring director is eligible for re-election.
4. Any director wishing to resign from the director's position shall submit a resignation letter to the Company. The resignation shall take effect upon the date on which the resignation letter reaches the Company.
5. The shareholders' meeting may pass a resolution removing any director prior to retirement by rotation, by a vote of not less than three-fourths of the number of shareholders attending the meeting and having the right to vote, and the shares held by them shall not, in aggregate, be less than one half the number of the shares held by the shareholders attending the meeting and having the right to vote.

Qualifications of a Director (based on the revised Charter approved by the Board in Feb 2015)

1. Meets the stipulations under various regulations and those prescribed by the Company's Articles of Association.
2. Have at least a Bachelor's Degree in any field.
3. Be knowledgeable of the Company's business and provide adequate time and inputs to the benefit of the Company.
4. Be an individual with honesty, integrity and high morals.

A Non-Executive Director and an Independent Director shall not take a position as a director in more than five other listed companies.

The Executive Directors shall not take a position as director in more than three other listed Companies or in any company having conflict of interest with IVL. However the Executive Directors can take up any number of Directorships in the IVL Group Companies including Joint Ventures.

In the case that a director takes directorship positions in excess of the criteria, the Board of Directors shall consider the effectiveness in the performance of the said directors' duties and shall report the reasons for the appointment in the corporate governance report in the annual registration statement (Form 56-1) and the annual report (Form 56-2).

Qualifications of an Independent Director

1. Shareholding not exceeding 0.75% of the total shares with voting rights of the Company, its parent company, its subsidiary company, its associated company, major shareholder or controlling person of the Company (to be calculated by including the shares held by any related persons of said independent director);
2. Not being, nor having been, a director who participates in the management, or as an employee, staff member or advisor who receives a regular salary, or a controlling person of the Company, its parent company, subsidiary company, its associated company, its subsidiary company at the same level, major shareholder or controlling person of the Company unless the holding of the aforementioned positions has been discontinued for at least two years before the date of submission of the application for the issue of newly issued shares to the SEC. However, such prohibition shall not apply in the case where the independent director has been a government official or consultant of the government sector, which is a major shareholder, or controlling person of the Company;
3. Not being a person who has a blood relationship or registration under law, as father, mother, spouse, sibling and child, including spouse of a child, of its executives, its major shareholders, its controlling person or the person who will be nominated to take up the position of executive or controlling person of the Company or its subsidiary;
4. Not having, or not having had, any business relationship with the Company, its parent company, its subsidiary company, its associated company, major shareholder or controlling person of the Company in a manner which may obstruct its independent judgment, and not being or not having been a substantial shareholder or controlling person of a person who has a business relationship

with the Company, its parent company, its subsidiary company, its associated company, major shareholder or controlling person of the Company, unless such business relationship has been discontinued for at least two years before the date of submission of the application for the issue of newly issued shares to the SEC;

Please note that the aforementioned business relationship and transaction size shall have the same definition as in the notification of the Thai Capital Market Supervisory Board Re: Application for and Approval of Offer for Sale of Newly Issued Shares.

5. Not being, or not having been, an auditor of the Company, its parent company, its subsidiary company, its associated company, major shareholder, controlling person of the Company, major shareholder or controlling person of the partner of the audit company for which the auditor of the Company, its parent company, its subsidiary company, its associated company, major shareholder or controlling person of the Company has worked therein, unless such holding of the aforementioned positions has been discontinued for at least two years before the date of submission of the application for the issue of newly issued shares to the SEC;
6. Not being or not having been a professional service provider, including service provided as legal counsel or financial advisor which is retained for a fee exceeding Baht two million per annum from the Company, its parent company, its subsidiary company, its associated company, major shareholder or controlling person of the Company, and not being controlling person of the partner of such professional service provider, unless such business relationship has been discontinued for at least two years before the date of submission of the application for the issue of newly issued shares to the SEC;
7. Not being a director nominated to be a representative of a director of the Company, major shareholder or shareholder who are related persons to the major shareholder;
8. Not undertaking business of the same nature as and materially competing with that of the business of the Company or its subsidiary company or not being a partner of the partnership or a director who participates in the management, an employee, a staff member, or advisor who receives a regular salary or holds shares exceeding 1% of the total shares with voting right of other companies which undertakes business of the same nature as and materially compete with that of the business of the Company or its subsidiary company; and
9. Having no other qualifications causing any inability to express independent judgment in respect of the Company's business operation.

The qualification of the Independent Directors is more stringent than the requirement of the Thai Capital Market Supervisory Board.

Group CEO

The Board of Directors will appoint the Group CEO. The Group CEO will be a person with the highest personal and professional integrity, with demonstrated and exceptional ability and judgment and who shall be most effective in serving the long-term interests of the Company and have knowledge in the industry in which IVL operates.

Role and Responsibility of Group CEO

- Designated as authorized person in administering the Company's business and/or day-to-day operation to be in line with the objectives, articles of association, policies, rules, regulations, instructions and resolutions of the Board of Directors Meeting and/or resolutions of the Shareholders Meeting.
- Arrange to prepare the Company's business policies, business plans and budget to be proposed to the Board of Directors for approval and has a duty to report the progress on such approved business plans and budget to the Board of Directors according to the period specified by the Board of Directors.
- Manage the Company's business operations in line with the Company's business policies, business plans and budget, and to meet financial goals as approved by the Board of Directors.
- Establish performance goals, allocate resources and comply with the policies for management.
- Ensure the Company's overall business growth in accordance with the Company's objectives and business plans.
- Maintain good relationship with the Company's stakeholders.
- Ensure compliance with the law and ethical standards and maintain transparency.
- Ensure the organization's public standing.
- Be the leader in marketing strategy.
- Determine, monitor and strengthen organization's standards that are essential to keep its competitive edge and create organization value through continuously working on the people and products.
- Analyze the current and potential overall global industrial condition for hints of future changes within the industry and adjust the Company's strategy.
- Ensure appropriate returns to all stakeholders
- Work closely with chief executive officers, chief financial officers and chief operating officers of various business groups to deliver organization value.
- Set up the employee performance evaluation standards and review such standards periodically.
- Ensure effective implementation of the Board of Directors' resolution.
- Recruit, appoint, remove, relocate, adjust, reduce or deduct salary or wages, impose disciplinary sanctions on officers and employees as well as dismiss officers and employees from their positions in accordance with the rules prescribed by the Board of Directors, except for executive officers or those in comparable or higher positions, which shall require prior approval from the Board of Directors.

- Approve the Company's normal financial transactions and debt restructuring transactions of short-term debts in the amount of not exceeding Baht 500 million or long-term debts in the amount of not exceeding Baht 250 million.
- Be authorized to delegate authority to others to perform specific duties on his behalf. Such delegation of authority shall be within the scope of and in accordance with the power of attorney granted and/or shall be in accordance with the internal regulations, rules or instructions given by the Board of Directors and/or the Company. The authorization of duties and responsibilities of the CEO shall not constitute an authorization or sub-authorization which may cause the CEO or his authorized person(s) to be able to approve any transaction in which they, or any person who may have a conflict of interest (as defined in the notification of the Securities and Exchange Commission or the notification of the Capital Markets Supervisory Board), may have an interest or may gain benefit in any manner, or in which they may have any other conflict of interest with the Company or its subsidiaries, unless the approvals of such transactions are consistent with the policies and criteria approved by the Shareholders Meeting or the Board of Directors Meeting.

9.4 Governance in Subsidiary and Associated Companies

It is the policy of the Company to send at least one representative from Thailand to be a director of its subsidiaries and associated companies; who has the qualifications and experience suitable for such business with no conflict of interest directly with the business of those subsidiaries. Such representative shall manage and administer the business of such subsidiaries according to the regulations and procedures provided in the Articles of Association of the Company and of such subsidiaries and relevant laws and also implement the policies, procedures, guidelines and recommendations of IVL parent Company.

The core subsidiary Companies of IVL held a number of Board meetings in 2014, which are detailed in the table below:

No.	Company	No. of Meetings
ASIA		
1	Indorama Polymers PCL.	7
2	Petform (Thailand) Ltd.	4
3	Asia Pet (Thailand) Ltd.	6
4	Indorama Holdings Ltd.	10
5	Indorama Polyester Industries PCL.	5
6	Indorama Petrochem Ltd.	4
7	TPT Petrochemical PCL.	4
8	ES Fiber Visions (Thailand) Co., Ltd.	2
9	Guangdong IVL PET Polymer Co., Ltd.	3
10	Fiber Visions (China) Textile Products Ltd.	1
11	Shenma-PHP (Pingdingshan) Air Bag Yarn Manufacturing Co., Ltd.	2
12	PT. Indorama Ventures Indonesia	6
13	PT. Indorama Polyester Industries Indonesia	5
14	PT. Indorama Polychem Indonesia	10
15	PT. Indorama Petrochemicals	2
16	PT Indorama Polypet Indonesia	4
17	Indorama Ventures Packaging (Philippines) Corporation	10
AFRICA		
18	Indorama Polymers PCL. Indorama Ventures Packaging (Nigeria) Ltd.	4
19	Indorama Ventures Packaging (Ghana) Ltd.	2

No.		No. of Meetings
EUROPE		
20	Trevira GmbH	4
21	PHP Fibers GmbH.	1
22	Wellman International Limited	2
23	UAB Orion Global PET	3
24	Indorama Ventures Europe B.V.	1
25	Indorama Ventures Poland Sp. z o.o.	5
26	Indorama Ventures Adana PET Sanayi Anonim Sirketi.	9
AMERICA		
27	Star Pet Inc.	4
28	Auriga Polymers Inc.	7
29	Alphapet, Inc.	7
30	Fiber Visions Manufacturing Company	5
31	Fiber Visions Products, Inc.	4
32	Indorama Ventures (Oxide & Glycols) LLC	4
33	Polyamide High Performance Inc.	1
34	Indorama Ventures Polymers Mexico, S. de. R.L. de. C.V.	4

Apart from those meetings, there were also management and executive committee meetings regularly to review the business performance of the various subsidiaries.

9.5 The Use of Internal Information of the Company

The Company has in place a written policy on the use of confidential and/or internal information so as to prevent any illegal use. The statement is prominently displayed at the head office and at the offices and the working places of all its subsidiaries, for the knowledge of all employees.

The code of conduct prohibits Directors and employees from buying, selling, transferring or accepting the transfer of Company securities by using confidential and/or internal information in any manner that may take advantage of outsiders by using inside information.

All Directors, senior management, auditors and employees having access to financial statements of the Company are required to make a declaration of their movement in shareholding including their spouse and minor children, to the Company Secretary. A summary of the shareholding is presented to the Board on a quarterly basis.

Each year, the IVL Directors submit to the Company Secretary an annual report, in the form as approved by the Board, on their interest or a related person's interest in the Company or its subsidiaries.

The Regulations on the Use of Internal Information of the Company

The regulations on the use of internal information of the Company are as follows:

1. All Directors, executives, staff and employees of the Company shall keep confidential and/or internal, all information of the Company except for the purpose of the operation of the Company's businesses;
2. All Directors, executives, staff and employees of the Company shall not disclose confidential and/or internal information of the Company with the aim to seek benefit for oneself or for other persons either directly or indirectly regardless of whether or not such benefit is to be received; and
3. All Directors, executives, staff and employees of the Company shall not sell, purchase, transfer or take the assignment of securities of the Company by using confidential and/ or internal information of the Company and/ or enter into any transactions by using confidential and/or internal information of the Company in a manner that could possibly cause damage to the Company either directly or indirectly. This provision shall also apply to spouses and minor children of the Directors, executives, staff and employees of the Company. Violators of the regulations shall be deemed as committing a serious offence.

Post listing of its shares on the Stock Exchange of Thailand (SET), all Directors, executives, managers, any persons responsible for the operation, auditors, staffs or employees of the Company may not purchase or sell, offer to purchase or sell or invite any other person to purchase, sell or offer to purchase or sell the shares of the Company in such a way as to take advantage of other persons by using internal information material to changes in the prices of the shares of the Company which

has not yet been disclosed to the public and to which information he has access by virtue of his office or position, and whether or not such act is done for his own or another person's benefit, or to disclose such information so that he will receive consideration from the person who engages in the aforesaid acts, such person shall be liable under the applicable laws with respect to insider trading as a result of such contravention.

In case, Directors, executives, managers, any persons responsible for the operation, auditors of the Company acquire or dispose of shares or other securities (if any) of the Company, such person have to report on such acquisition or disposal to the SEC within the time described by SEC Act B.E. 2535. The said acquisition or disposal by the abovementioned person shall include the holding of shares and other securities in the Company (if any) by his spouse and minor children.

These regulations have been informed to all employees.

9.6 Audit Fee

The total audit fees and non-audit fee paid during 2014 for IVL and all its subsidiaries, jointly controlled entities and associates globally were as following.

Particulars	2014 (Baht)	2013 (Baht)
1. The total audit fees for IVL and all its subsidiaries, jointly-controlled entities and associates globally	120,000,000	98,000,000
a) <i>Payment to KPMG Phoomchai Audit Ltd and other members firms of KPMG Phoomchai Audit Ltd.</i>	112,000,000	91,000,000
b) <i>Other Audit firms</i>	8,000,000	7,000,000
2. The total non-audit fees paid to member firms of KPMG International other than KPMG Phoomchai Audit Ltd *	46,000,000	49,000,000

* *The amount of non-audit fees relates to tax advice, due diligence in relation to the acquisitions, restructuring and other advisory services*

9.7 The Practice of Corporate Governance in 2014

IVL upheld the core and relevant principles of its corporate governance policy as below:

Rights of Shareholders and Equitable Treatment of Shareholders

It is the Company's top most priority is to protect shareholders' rights, irrespective of their shareholding, and encourage them to exercise those rights as spelt out in relevant laws.

The Company recognizes the basic legitimate right of shareholders whether major or minor, local, foreign or institutional to participate in Shareholders' Meetings; the right to appoint a proxy to participate and vote at the said meeting; the right to vote for the appointment or removal of Individual Directors; the right to vote on the annual appointment of statutory auditors and fix their remuneration and the right to vote on various other businesses of the Company. IVL implemented all these rights of the shareholders at their Annual General Meeting of Shareholders 1/2014 held on April 24, 2014 and Extra Ordinary General Meeting of Shareholders 1/2014 held on August 06, 2014.

Shareholders rights also include the eligibility to receive dividend payments, the right to give opinions and enquire into business matters of the Company at the Shareholders' Meeting.

Apart from the above, IVL also recognizes the equal rights of all shareholders to obtain accurate, adequate and timely information from the Company, for their decision-making and will always strive to provide the same.

IVL has no agreement of any kind with any of its shareholders and has a straight forward structure with its subsidiaries, affiliates and joint venture partners with no joint holding and cross holding of shares. Moreover it has no pyramid shareholding structure within the Group.

The IVL Group structure is uploaded on the Company website under "Our Company" and updated every quarter.

a) General Rights and Equality

IVL provides the opportunity to minority shareholders to propose agenda items and to nominate qualified individuals to be elected as Directors of the Company before the AGM for a period of over 90 days. Such notification to the shareholders was informed to SET website on September, 12, 2014 and posted on the Company's website on September 15, 2014. The notification clearly mentioned the procedure and criteria. The Company received no proposal from any shareholder and the same was informed to the Board at their first meeting held in January 2015.

IVL will continue to provide opportunities to the minority shareholders to participate in fundamental corporate decisions.

In order to ensure that the shareholders receive the annual audited financial statements and the quarterly reviewed financial results on time, IVL disclosed the annual audited financial statements (2013) and the three reviewed quarterly financial statements of 2014 on the same day of its approval by the Board of Directors and or Audit Committee through the website of the Stock Exchange of Thailand and also through its website - www.indoramaventures.com, both in English and Thai.

IVL ensures regular and timely disclosures through its website and also through the SET about all relevant information like the Annual Report, Form 56-1, Shareholders' Meeting resolutions, important Board resolutions, acquisition updates, opportunity day presentations, analyst reports, press releases and other relevant information about the Company and its subsidiaries in an effort to keep the shareholders timely and adequately informed.

IVL strongly believes in the participation of its shareholders and the vital need for them to understand the operation and business activities of the Company and its subsidiaries and to interact with the management. The Company organized two visits by the Shareholders' to its plants. The first trip was organized on June 24, 2014 to visit the factories at Lopburi and the second trip was organized on September 09, 2014 to visit the Polyester plant at Rayong. Such annual visits shall continue to be organized in future.

Shareholders were notified more than 30 days before the shareholders meeting. Each shareholder received complete and adequate information on the criteria and procedure of the meeting. The AGM was held on April 24, 2014 and the Notice was issued out on March 24, 2014.

All information sent to the shareholders was posted on the Company's website both in English and Thai on March 19, 2014 more than 30 days before the meeting date. The shareholders were provided the facility to download the relevant information including the proxy forms.

Notice of the meeting was also communicated through the SET on the March 18, 2014.

The shareholders were given the opportunity to submit questions in advance regarding the agenda, together with comments if any, from the date they were notified of the meeting. The procedure for submitting such questions was clearly mentioned in the Notice to the meeting.

IVL shareholders were encouraged to attend the AGM in person or by proxy. In case of proxy, shareholders could either appoint their authorized person or any one of the four Independent Directors nominated by the Company in this regard. The profiles of the Independent Director(s) were attached to the notification of the meeting.

The venue of the AGM was at a central location easily accessible to all and a map of the location was provided in the Notice to the Meeting. The meeting was held from 2.00 pm in the afternoon.

On the meeting date the Company arranged for the shareholder registration to start more than two hour before the meeting. Preparation of the venue, greeters and appropriate number of registration staff were arranged to assist the shareholders in the registration process. The registration continued even after the meeting started in order to ensure the participation of all shareholders who came to attend the meeting.

The Company had detailed which documents were necessary for shareholders to present on the meeting date in order to have the right to attend the meeting, including the designated proxy form and shareholders were assisted by the Company staff.

A barcode scanning system from the Thailand Security Depository (TSD) was used for registration, allowing for a quick and efficient registration process. Barcoded ballots were handed out to each shareholder for voting.

To enable shareholders to make decisions, IVL provided adequate information in the Notice to the meeting on the agenda items.

Following the feedback from the last shareholders meeting, the Company deployed simultaneous translation into Thai language at the Shareholders' Meeting No. 1/2014 held on April 24, 2014 and also at the Extraordinary General Meeting No. 1/2014 held on August 06, 2014.

b) Re-appointment of retiring Directors

In 2014, five Directors on the Board retired by rotation and agreed to be re-appointed for another term. In this regard they signed a consent form to the NCCG Committee to consider their re-appointment. The NCCG Committee after considering the experience and contribution of the

Directors retiring deemed it appropriate to re-appoint them for another term and recommended the same to the Board.

Profiles of the five Directors retiring and offering themselves for re-appointment together with their name, age, type of directorship, family relationship with other directors, educational background, director training, working experience, positions held in other listed organizations, position in competing company/ connected business that may cause conflict of interest, number of years as director of the Company, shareholding, legal disputes, meeting attendance and the opinion of the Board, in order to facilitate the voting of the shareholders.

No Director of the Board has been proposed by major Shareholders.

The re-appointment of retiring Directors was approved by the Shareholders on the basis of the "One share one vote" method.

Minority shareholders were given the opportunity to nominate qualified individuals to be elected as Directors of the Company before the AGM for a period of over 90 days but the Company did not receive any proposal from them.

c) Approving Directors Remuneration

Independent and Non-Executive Directors

The Board reviewed and recommended to the shareholders the remuneration of the Independent and Non-Executive Directors for 2014 and the annual bonus for all IVL Directors payable in 2013 as recommended by the NCCG Committee.

The Policy followed by the NCCG Committee to recommend to the Board and Shareholders' the compensation and benefits of Independent and Non-Executive Directors are as follows:

- Compensation should fairly pay directors for work required in a company commensurate with the size and scope of the work;
- Compensation should, if possible, align directors' interests with the long-term interests of shareholders;
- Structure of the compensation should be simple, transparent and easy for shareholders to understand.
- Compensation for Non-executive Directors and Independent Directors is inclusive of monthly retainer fee and annual bonus based on the previous year's Company performance.
- Additional compensation will be paid to directors serving on various sub committees.

To implement the policy, the Committee designs an appropriate compensation package based on comparable listed Companies with the following criteria:

The remuneration of the Chairman of the Board and Chairmen of the sub committees who are independent and Non-Executive Directors is calculated at approx. 1.5 times of the other members.

In determining the bonus payable to all Directors' the NCCG Committee assesses the individual performance annually based on their contribution, responsibilities, expertise and attendance. This assessment is undertaken by way of a Director Self Evaluation Form.

The total bonus is determined in relation to the profit of the Company and uses a point system to allocate amongst the directors as approved by the Board.

There was no change in the retainer fee in 2014.

No retainer fee is paid to the Executive Directors on the Board of IVL.

Details of remuneration in 2014 paid to the Independent Directors and Non-Executive Directors and the bonus in 2013 to all Directors is in the latter part of this report under Director Performance.

The Chairman of the NCCG Committee explained the above policy and basis of calculation of the remuneration of Independent and Non-Executive Directors to shareholders at the 2014 Annual General Meeting.

Executive Directors and Management

The policy and criteria for Executive Directors and Management is elaborated in Board of Directors Performance in the later part of this report.

d) Appointing the external auditor and approving the audit fee

The name of the audit firm and the auditors' names, independence of the proposed auditors, number of years as the Company's auditor, total audit and non-audit fees paid in 2013 and remuneration proposed in 2014, together with the opinion of the Board based on the recommendation of the Audit Committee was detailed in the Notice to Meeting in order to facilitate the voting of the shareholders.

e) Payment of Dividend

The dividend policy of the Company states that a dividend will be paid at not less than 30% of the net profit after tax and appropriation to the legal reserve.

In compliance with the dividend policy of the Company, the Board proposed a final dividend payout in 2013 at Baht 0.28 per share amounting to Baht 1,347,992,028.60. Out the said final dividend, an interim dividend of Baht 0.14 per share amounting to Baht 673,996,014.30 was paid by the Company on September 05, 2013 and the Company paid the remaining dividend of Baht 0.14 per share or amounting to Baht 673,996,014.30 on 22 May 2014.

f) Shareholders Meeting

It is IVL's policy to conduct Shareholders' Meetings properly in accordance with the Articles of Association of the Company and related laws to allow shareholders to exercise their rights fully and in an informed manner.

The annual general meeting of shareholders was organized within four months from the closure of the fiscal year of December. For the fiscal year 2013, the AGM was held on April 24, 2014. The meeting started with 1,775 shareholders in person or proxy and representing 79.07% of the total shares sold.

At the close of the meeting there were 2,469 shareholders in person or proxy and representing 79.31%. The meeting started at 2.00 pm and ended at 4.55 pm.

During the meeting, all the shareholders were encouraged to ask questions, express their opinions, suggestions, recommendations and request for additional information to clarify any issues relating to the Meeting.

Prior to starting the meeting, the Chairman and his representative briefed the shareholders on the criteria governing the meeting including the voting procedure. One independent observer from the shareholders' present witnessed the vote counting procedure and she was assisted by the representative from the Company's legal counsel from The Capital law office Limited. In order to make the voting process fast and accurate, the Company used an electronic voting system. For each agenda/sub-agenda separate ballots were provided. After every agenda item was discussed and put to the vote, the ballots were collected and scanned. The results of the voting for each agenda were declared during the meeting and a summary of the results was presented at the close of the meeting.

The vote counting was carried out in a transparent manner with one share being equal to one vote. Approval of a resolution was based on majority of votes as there was no special resolution which would require three fourths of the eligible votes.

During the meeting, the Company did not introduce any unexpected important information or any new agenda items that were not notified to the shareholders earlier.

The Company ensured that all shareholders were accommodated to attend the meeting even beyond the specified time limit. The Chairman of the Board chaired the meeting. There were 14 out of 14 Directors present including the Group Chief Executive Officer (GCEO), Chairman of the Audit Committee, Chairmen of NCCG Committee, the external auditors, the internal auditor of the Company, the legal counsel of the Company and senior management team members attending the meeting.

The Chairman gave the shareholders sufficient opportunity to ask questions and make recommendations about the operations, financial matters and other issues of the Company without prejudicing the rights of any Shareholder. The Chairman, GCEO, Chairman of the Audit Committee, chairman of the NCCG Committee, Chairman of the Enterprise Risk Management Committee and the management team provided clarifications during the meeting and met the shareholders informally after the meeting.

All the agenda items were passed by an average of around 99% of the total eligible votes. The resolution of the meeting including the number of votes cast was disclosed through the SET website on the same day of the meeting.

Comprehensive Minutes of the meeting were recorded. They included names of Directors who attended and who did not attend the meeting, summary of questions asked, important explanations and clarifications, and the voting results of each agenda and sub-agenda divided into for/against/

abstained. The Minutes were submitted to the SET within the required time frame of fourteen days after the AGM date.

A copy of the Minutes was also posted on the Company's website at the same time.

g) Reporting of and Trading in IVL Securities

The Company has a written policy in place on reporting of and trading in IVL securities. Under this policy no director or "management" shall directly or indirectly trade in IVL securities during the period of 15 working days prior to and two working days subsequent to the date of filing with the SET of the quarterly and annual financial statements of the Company. Further, if any director or "management" trades in IVL securities, they have to report to SEC in the prescribed form within three working days and inform the Company Secretary's Department. Every Quarter a summary of the shareholding of Directors and "management" is reported to the Board.

h) Code of Conduct for Directors and Employees

The Company has a Code of Conduct for Directors and employees, approved by the Board and communicated to everyone. The Company through this Code of Conduct strives to achieve observance of ethical practices, honesty, and accountability, as well as a responsibility to all stakeholders and external agencies.

As part of the Corporate Governance Policy Awareness Campaign (CGPAC) initiative started in 2013 most of the IVL global employees have read and signed the Employee Code of conduct. The code is periodically reviewed. Based on the feedback received from the units in 2013, the CGPAC Committee made some revisions to the Code, which was approved by the Board of Directors on January 12, 2014. The revised Employee Code of Conduct was communicated to all Site/HR heads and uploaded on the Company website. The CGPAC Committee will continue to reinforce awareness of the Code of Conduct amongst all IVL employees.

The Board of Directors of IVL have all read and signed the Directors Code of Conduct.

i) Anti-Corruption and Bribery

The Company's Code of Conduct for Directors and Employees explains among other things the Company's firm stance against bribery and corruption. As a global Company, IVL would like to ensure that it reaches the highest level of governance and for this reason the Company has stipulated that it will abide by strict policies regarding corruption and bribery.

To demonstrate its firm commitment against corruption and bribery the Board of Directors approved the Anti-Corruption Policy of the Company at its meeting in January 2014.

The Company also adheres to the UK Bribery Act and all local, national and international laws where appropriate.

Indorama Ventures received CAC Certification in October 2014. The company has adopted an anti-corruption framework, including policy awareness and implementation of compliance that has led the

company to create an anti-corruption culture in the company and helped it to become one of the Collective Action Against Corruption (CAC) certified companies in Thailand.

To provide employees with straightforward communication regarding our firm's zero tolerance of corruption, as well as to address practical guidelines and specific forms of corrupt activities that may arise in the course of the company operations. The company commenced conducting anti-corruption training in July 2014. The training was conducted at the Head Office and all Thai sites, and separately run in Thai and English languages for the benefit of all employees. Over 300 employees have been covered by our training courses. Educational materials were distributed to participants during training.

Anti-corruption educational materials and policies have been uploaded on the company's website and disseminated to overseas units to ensure that our policies are well communicated, and the same standard practice made available worldwide.

The CGPAC Committee will continuously monitor the progress of training and awareness at all IVL sites.

j) Connected Transactions

The Company has in place a detailed policy on connected transactions which is stringently followed. The policy states who is a connected party and what constitutes a connected transaction, the various types of connected transaction and their threshold criteria/values for approval and disclosure purpose and what procedures to follow when there is a new connected transaction. The guideline is circulated at the beginning of each year in order to remind all concerned about the compliance requirements regarding connected transactions. The Internal Audit Department is responsible to ensure that all connected transactions follow the rules and regulations as prescribed by SEC/SET and the internal policy guidelines. Any proposed new connected transaction is brought to the notice of the Internal Audit Department who after their verification forwards to the Audit Committee with their recommendation through the Secretary of Audit Committee. The Audit Committee after their review will recommend to the Board. Without IVL Board approval, no new connected transaction can be made effective. At every quarterly meeting of the Audit Committee and Board of Directors, a statement of all the continuing connected transactions of the Company and its subsidiaries is submitted for acknowledgement.

However, the Company and its subsidiaries may have connected transactions with their Directors, management or potential connected persons. As a result, the Board of Directors Meeting approves, in principle, that the management is empowered to approve such transactions under reasonable, transparent and non-corrupt conditions, provided that such transaction is categorized as a transaction with the same commercial terms as those an ordinary person would agree with any unrelated counterparty under similar circumstances, on the basis of commercial negotiation (general trading conditions) and without any dependent interest resulted from the status of director, management or connected person, as the case may be.

Any Director who is directly or indirectly interested in any transaction abstains from discussions and voting.

The Company has not given any financial assistance or guarantee to any external party.

Summary of Connected Transactions is reported separately in the Annual Report.

Role of Stakeholders

IVL gives equal importance to all of its stakeholders both internal and external such as shareholders, personnel, business partners, customers, competitors, creditors, community, environment and society. The Company is fully aware that support from each stakeholder will sustain and reinforce its competitive advantage and profitability.

It is the policy of IVL to safeguard their rights by strictly complying with applicable laws and regulations and to take into consideration their interests.

IVL has issued the following Stakeholder policies:

- Policy on the Treatment of Shareholders
- Policy on the Treatment of Customers
- Business Partners and Competitors Policy
- Environment Policy
- Human Rights Policy
- Intellectual Rights Policy
- Trading Partners and Creditors Policy
- HIV-AIDS Policy
- Hygiene and Safety Policy
- UK Bribery Act
- Whistleblower Policy
- Anti-Corruption Policy
- Supplier code of conduct

The Supplier Code of Conduct has been implemented in order to encourage the Company's supply chain to acknowledge and implement universal standards.

The CGPAC Committee will be seeking periodical reports from business units on the implementation status.

In 2015 the next phase of supply chain management will be implemented and will include customers.

These policies have been circulated globally and uploaded to the Company's website.

As part of the CGPAC initiative and in order to develop and improve the relationship between IVL and its stakeholders, the management will on a continuous basis reinforce that everyone working at IVL is aware of and understands all the stakeholder related policies and that they are implemented in the

spirit that they were created through continuous program of training, seminars and monitored implementation

The policies are reviewed annually and changes are implemented as required.

The Company publishes a sustainability report every year. This is available on the Company's website in the corporate document section.

- *Shareholders:*

IVL and its subsidiaries strive to conduct its business in a transparent and efficient manner with a view to enhancing shareholder value and returns. We will seek new businesses and projects that are accretive to shareholder value only.

- *Customers:*

IVL and its subsidiaries will strive to maintain and strengthen its long-term and loyal relationships with its customers and is determined to ensure customer delight by providing high quality products and services that best fit customer needs at competitive prices, supported by a high standard of service and accurate information regarding our operations and products.

The Company believes in and will strive to keep communication channels open for constant customer feedback.

- *Personnel:*

All personnel of IVL and its subsidiaries are considered to be valuable assets, critical to the growth and profitability of the Company and its subsidiaries, and strive to provide a conducive and quality oriented work environment with utmost emphasis on safety along with fair and equitable compensation compatible with similar businesses.

The Company gives importance to developing skills, knowledge and potential of its employees, and strives to build a work environment that is rich in diversity and will attract and retain high performance employees.

The Company and its subsidiaries provide an orientation program for all new employees and development programs thereafter to develop and refresh their skills. All employees receive training in environmental issues and encouraged to involve themselves in local environmental conservation and preservation projects in the local area.

As the Company operates globally, each of its facilities has its own employee welfare policy which is in line with local laws and regulations.

The Company has comprehensive policies on compensation and welfare for employees across all its global locations. These follow the local rules and regulations of the country where they are situated.

Indorama Ventures strongly believes that its employees are the foundation of its success and therefore their continued development is a key to its sustainability as a business. Among other issues, the company develops employees to have a keener understanding of the environment and their impact on it.

The details of Indorama Ventures' compensation and training activities are provided below in the section on **"People"** at the end of this report.

- *Business Partners:*

IVL and its subsidiaries foster symbiotic, long-standing and growing relationships with all its business partners, based on mutual benefit and guided by good business ethics. We also want to work with business partners who operate in a fair, honest, and socially responsible manner. We feel strongly that we have a responsibility to ensure that consumers can trust the safety and quality of our products. Business partners are expected to provide goods and services that meet all government and agreed-upon quality and safety standards.

Just as we have set standards for our business through our policies, we expect our partners, in addition to complying with all environmental regulations, to share our commitment to use resources responsibly; eliminate and reduce waste; minimize their carbon footprint; offer a selection of natural, organic, and eco-friendly products and develop facilities that align environmental, community, and business needs.

They should ensure that they adopt and implement acceptable safety, product quality, labor, human rights, social and legal principles in line with our own policies and to ensure these issues are adequately managed within the business for any goods or services supplied to us.

We have set ethical boundaries for ourselves and expect our partners to comply with them, acting with integrity and lawfully in the handling of competitive data, proprietary information and other intellectual property, and complying with legal requirements regarding competition, antitrust, and accurate and truthful marketing.

- *Intellectual Property:*

The Company is aware of the importance of intellectual property and strictly forbids the use of illegal software and any misuse of the intellectual property of others.

- *Creditors:*

IVL and its subsidiaries attempt to provide its creditors with all full and accurate information about the progress of the Company, as required for smooth business dealings and to comply with all its obligations.

Moreover, we want to see our creditors adhere to business principles consistent with our own and ensure that their products and services are produced and delivered to comply with all legislation relevant to their business in the areas where they operate.

- *Community, Environment & Society:*

IVL and its subsidiaries care about the safety of society, the environment, and the quality of life of people associated with all its operations and strives to comply with applicable laws and regulations.

IVL and its subsidiaries try to actively participate in all activities that support and care for the environment and society and promote the cultures in which the Company operates.

IVL and its subsidiaries treat and dispose of waste in a manner that will have the least impact on society, environment and people.

IVL has taken various steps towards the sustainability of not only the Company, but of the community as a whole. We want to ensure:

- A consistent supply high quality products and services to our customers
- That we create value for our investors
- That we provide a favorable working environment
- That we are a good community neighbor
- That we minimize the environmental footprint we leave behind

We are committed to meet and surpass the environmental laws and regulations pertaining to each business and region, with periodic analysis and third party inspection conducted in each plant.

- *Competitors:*

IVL and its subsidiaries will act within the rules with respect to its competitors and employ best practices in dealing with them, as well as working towards market development and growth for the benefit of the industry as a whole.

- *Whistleblower Policy:*

The Company has developed a “Whistleblower” policy that allows all employees the opportunity to raise issues on any unethical practice (whether or not a violation of law), to a Whistleblower Committee without necessarily informing their line managers and without revealing their identity. The Policy has been communicated to all employees globally and uploaded to the Company website.

Disclosure and Transparency

It is IVL’s policy to deliver all-important information relevant to the Company, both financial and non-financial that may have an impact on the interests of the shareholders or any decision to invest in the company or not. All such information is disclosed sufficiently, accurately, on a timely basis and transparently through easy-to-access channels that are fair and trustworthy and all such information complies with the relevant rules of the SEC/SET.

The communication channels used are: the Annual Report, Form 56-1, Management Discussion and Analysis (MD&A), press releases, the SET’s website, shareholders’ meetings, analysts’ meetings and the Company’s own website.

The designated executives that can disclose information about IVL include the Group Chief Executive Officer (Group CEO), the Company Secretary’s Department and the Investor Relations and Corporate Communications Department. They provide information to interested parties on various occasions such as one-on-one meetings with shareholders, creditors, analysts, quarterly meetings with analysts to discuss the recent financial performance, road shows and others.

The Nomination, Compensation and Corporate Governance Charter defines the policy on nomination of Directors of the Company and the policy on remuneration of Directors and management of the Company which is followed by the NCCG Committee and management team.

In the section above on **Re-Appointment of Retiring Directors and Approving Remuneration of Directors** the key highlights of the policy and criteria of nomination and remuneration are stated.

For remuneration of management the policy and criteria is stated below in the “remuneration” section under Board Performance.

The Company provides the opportunity to outsiders to communicate genuine grievances, to the Board by addressing it to the independentdirectors@indorama.net.

Company employees can send their grievances to the Whistleblower Committee at ethics@indorama.net.

The communication channels are all well-defined on the Company's website.

The Charters and Policies of the Company are reviewed annually by the Board. The following were revised and approved by the Board at their meeting in February 20, 2015.

- Charter of the Board of Directors
- Charter of the Audit Committee
- Anti-Corruption Policy
- Whistleblower Policy
- Human Rights Policy

They were communicated to all employees globally and uploaded on the Company website.

The Company gives utmost importance to its website, which is both in Thai and English, and regularly reviews it to ensure all information provided is current and up-to date.

For better understanding of the industry, the Annual Report for 2014 has included in the Business Description an explanation of the Company's position in the industry and a description of the Company's major competitors globally.

In 2014, and all previous years, the Company has never been accused by the SEC/SET of breaching any disclosure rules and regulations.

The following information on the Company website is regularly updated:

Vision, Mission, Value Statements, financial statements, analyst reports, press releases, annual report, corporate structure, IVL Board and management structure, shareholding structure and major shareholders. Form 56-1 is updated every year and includes detailed information on business operation, financial status, risks, litigations, capital structure, including information on ultimate shareholding. The Company maintains a calendar of all major events that investors or shareholders may wish to attend.

The Company has a designated department for Investor Relations for disclosing essential information to investors on matters relating to financial reporting and others. An annual investor relations plan is established and the executive in charge is involved in various investor relations activities including but not limited to periodical plant visits for the benefits of shareholders, investors and analysts etc. Also regular investor meetings are organized.

To contact the Company's Investor Relations Department, the general public may call (+66) 2 661 6661 ext. 680 or email richard.j@indorama.net. The details are provided on the Company's website.

A statement on the Board's responsibility concerning the Company's financial report is disclosed in the Annual Report, which mentions among other things that the Company complies with generally accepted accounting principles and that accounting standards and practices used are appropriate and consistent to the nature of the business. It also states that all information presented in the financial reports is accurate, complete and adequate. The Chairman of the Board and the Group CEO sign the statement.

The individual shareholdings of Directors, Management, including their spouse and minor children for the period January 1, 2014 to December 31, 2014 was as follows:

Report of Chages in Securities Holding of the Company's Directors and Executives as at December 31, 2014

No.	Name	Ordinary Shares (Shares)				Debentures (Units)			
		As at Dec 31, 2013	Changes in 2014	As at Dec 31, 2014		As at Dec 31, 2013	Changes in 2014	As at Dec 31, 2014	
		No. of Shares	No. of the Shares	No. of Shares	%	No. of Units	NO. of Units	NO. of Units	%
1	Mr. Sri Prakash Lohia	-	Acquisition	-	-	-	Acquisition	-	-
	Spouse and Minor Children	-	Disposition	-	-	-	Disposition	-	-
		-	Acquisition	-	-	-	Acquisition	-	-
		-	Disposition	-	-	-	Disposition	-	-
2	Mr. Aloke Lohia	10	Acquisition	-	10	0.000	-	Acquisition	-
	Spouse and Minor Children	-	Disposition	-	-	-	Disposition	-	-
		-	Acquisition	-	-	-	Acquisition	-	-
		-	Disposition	-	-	-	Disposition	-	-
3	Mrs. Suchitra Lohia	-	Acquisition	-	-	-	Acquisition	-	-
	Spouse and Minor Children	10	Disposition	-	-	-	Disposition	-	-
		-	Acquisition	-	10	0.000	-	Acquisition	-
		-	Disposition	-	-	-	Disposition	-	-
4	Mr. Amit Lohia	-	Acquisition	-	-	-	Acquisition	-	-
	Spouse and Minor Children	-	Disposition	-	-	-	Disposition	-	-
		-	Acquisition	-	-	-	Acquisition	-	-
		-	Disposition	-	-	-	Disposition	-	-
5	Mr. Sashi Prakash Khaitan	120,000	Acquisition	20,000	140,000	0.003	-	Acquisition	-
	Spouse and Minor Children	-	Disposition	-	-	-	Disposition	-	-
		-	Acquisition	-	-	-	Acquisition	-	-
		-	Disposition	-	-	-	Disposition	-	-
6	Mr. Dilip Kumar Agarwal	-	Acquisition	-	-	-	Acquisition	-	-
	Spouse and Minor Children	-	Disposition	-	-	-	Disposition	-	-
		-	Acquisition	-	-	-	Acquisition	-	-
		-	Disposition	-	-	-	Disposition	-	-
7	Mr. Uday Paul Singh Gill	-	Acquisition	-	-	-	Acquisition	-	-
	Spouse and Minor Children	-	Disposition	-	-	-	Disposition	-	-
		-	Acquisition	-	-	-	Acquisition	-	-
		-	Disposition	-	-	-	Disposition	-	-
8	Mr. Rathain Srimongkol	180,000	Acquisition	82,000	262,000	0.005	-	Acquisition	-
	Spouse and Minor Children	-	Disposition	-	-	-	Disposition	-	-
		-	Acquisition	-	-	-	Acquisition	-	-
		-	Disposition	-	-	-	Disposition	-	-
9	Mr. Maris Samaram	-	Acquisition	-	-	-	Acquisition	-	-
	Spouse and Minor Children	-	Disposition	-	-	-	Disposition	-	-
		-	Acquisition	-	-	-	Acquisition	-	-
		-	Disposition	-	-	-	Disposition	-	-
10	Mr. William Ellwood Heinecke	3,009,132	Acquisition	660,000	3,669,132	0.76	-	Acquisition	-
	Spouse and Minor Children	-	Disposition	-	-	-	Disposition	-	-
		-	Acquisition	-	-	-	Acquisition	-	-
		-	Disposition	-	-	-	Disposition	-	-
11	Dr. Siri Ganjarendee	-	Acquisition	-	-	-	Acquisition	-	-
	Spouse and Minor Children	-	Disposition	-	-	-	Disposition	-	-
		-	Acquisition	-	-	-	Acquisition	-	-
		-	Disposition	-	-	-	Disposition	-	-
12	Mr. Kanit Si	100,000	Acquisition	-	100,000	0.002	-	Acquisition	-
	Spouse and Minor Children	-	Disposition	-	-	-	Disposition	-	-
		-	Acquisition	-	-	-	Acquisition	-	-
		-	Disposition	-	-	-	Disposition	-	-
13	Mr. Apisak Tantivorawong	-	Acquisition	-	-	-	Acquisition	-	-
	Spouse and Minor Children	-	Disposition	-	-	-	Disposition	-	-
		-	Acquisition	-	-	-	Acquisition	-	-
		-	Disposition	-	-	-	Disposition	-	-

No.	Name	Ordinary Shares (Shares)					Debentures (Units)				
		As at Dec 31, 2013	Changes in 2014	As at Dec 31, 2014			As at Dec 31, 2013	Changes in 2014	As at Dec 31, 2014		
		No. of Shares	No. of the Shares	No. of Shares	%		No. of Units	NO. of Units	NO. of Units	%	
14	Mr. Russell Leighton Kekuewa	-	Acquisition	200,000	200,000	0.004	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-
15	Mr. Prem Chandra Gupta	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-
16	Mr. Satyanarayan Mohita	25,249	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	25,249	0	0.000	-	Disposition	-	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-
17	Mr. Sanjay Ahuja	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-
18	Mr. Manoj Kumar Sharma	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-

Report of Chages in Securities Holding of the Company's Directors and Executives as at 31 st December 2014

No.	Name	Warrants - IVL - W1 (Units)					Warrants - IVL - W2 (Units)				
		As at Sep 3, 2013	Changes in 2014	As at Dec 31, 2014			As at Sep 3, 2014	Changes in 2014	As at Dec 31, 2014		
		No. of Units	NO. of Units	NO. of Units	%		NO. of Units	NO. of Units	NO. of Units	%	
1	Mr. Sri Prakash Lohia	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-
2	Mr. Aloke Lohia	1	Acquisition	-	1	0.000	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-
3	Mrs. Suchitra Lohia	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-
	Spouse and Minor Children	1	Acquisition	-	1	0.000	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-
4	Mr. Amit Lohia	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-
5	Mr. Sashi Prakash Khaitan	12,000	Acquisition	-	-	-	9,230	Acquisition	-	-	-
			Disposition	12,000	0	0.000	-	Disposition	9,230	0	0.000
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-
6	Mr. Dilip Kumar Agarwal	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-
7	Mr. Uday Paul Singh Gill	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-	-	-	-	Disposition	-	-	-

No.	Name	Warrants - IVL - W1 (Units)					Warrants - IVL - W2 (Units)				
		As at Sep 3, 2013	Changes in 2014		As at Dec 31, 2014		As at Sep 3, 2014	Changes in 2014		As at Dec 31, 2014	
		No. of Units	NO. of Units		NO. of Units	%	NO. of Units	NO. of Units		NO. of Units	%
8	Mr. Rathian Srimongkol Spouse and Minor Children	18,200	Acquisition	-	18,200	0.004	14,000	Acquisition	-	14,000	0.004
			Disposition	-				Disposition	-		
		-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-				Disposition	-		
9	Mr. Maris Samaram Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-				Disposition	-		
		-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-				Disposition	-		
10	Mr. William Ellwood Heinecke Spouse and Minor Children	336,912	Acquisition	-	336,912	0.070	259,163	Acquisition	-	259,163	0.070
			Disposition	-				Disposition	-		
		-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-				Disposition	-		
11	Dr. Siri Ganjarende Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-				Disposition	-		
		-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-				Disposition	-		
12	Mr. Kanit Si Spouse and Minor Children	10,000	Acquisition	-	10,000	0.002	7,692	Acquisition	-	7,692	0.002
			Disposition	-				Disposition	-		
		-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-				Disposition	-		
13	Mr. Apisak Tantivorawong Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-				Disposition	-		
		-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-				Disposition	-		
14	Mr. Russell Leighton Kekuwa Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-				Disposition	-		
		-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-				Disposition	-		
15	Mr. Prem Chandra Gupta Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-				Disposition	-		
		-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-				Disposition	-		
16	Mr. Satyanarayan Mahta Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-				Disposition	-		
		-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-				Disposition	-		
17	Mr. Sanjay Ahuja Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-				Disposition	-		
		-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-				Disposition	-		
18	Mr. Manoj Kumar Sharma Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-				Disposition	-		
		-	Acquisition	-	-	-	-	Acquisition	-	-	-
			Disposition	-				Disposition	-		

Responsibility of the Board

1. Responsibility and Duties of the Board of Directors

The Board of Directors of IVL has the vision, mission, value statement, plans, strategies, key policies and budgets of the Company with a view to effectively and efficiently managing the business for maximum shareholder value. Detailed budgets and plans are formulated for the Company and its subsidiaries. The Board closely monitors the management and implementation of business plans to

achieve targets. The Board also sets internal controls and audit procedures, including risk management. All major CAPEX requires the approval of the Board. Detailed presentations are made by the respective business segment head.

At the beginning of each year the Board holds a Strategy and Annual Business Plan meeting and at the meeting the Vision and Mission statement is reviewed along with the Strategy as presented by management.

At the Board meetings and the many informal meetings with the Group CEO and senior management the Board gets updated on the business performance, strategy vis-à-vis targets and industry trends. Based on such meetings, the Board provides their thoughts and recommendations. The management updates are based on the regular Executive Committee meeting that each business segment holds on the operating performance.

The Board requires each business head to explain the details of why their business fell below target and the plans to improve performance. The Board follows up on the action plan status in subsequent meetings.

The Board through the Audit Committee, internal auditor, and compliance department reviews potential conflicts of interest. The internal guidelines of the Company on related party transactions and the relevant rules and regulations of SET/SEC provide a basis for avoiding conflicts of interest. Details of all related party transactions are updated in Form 56-1 and reported in the Annual Report. Those Board members who have an interest in a matter that might involve a conflict of interest must abstain from voting and other involvement, as prescribed by the Board. Company policy prohibits personnel at all levels from using inside information for personal benefit with all business decisions based on achieving the maximum benefit for the Company and its subsidiaries.

The Board every year evaluates the efficacy and sufficiency of the Internal controls of the Company by reviewing the Evaluation Form of Sufficiency of Internal Control Systems for IVL and its subsidiaries.

The Board held a special session in January to consider and approve the Strategic Plans of business units in the group. This provided the opportunity to meet and interact with senior executives from around the World including executives from new acquisitions.

The Company held its annual Capital Markets Day in January 2014 to apprise investors from both buy and sell side of the work completed by the management over the course of the year. Senior management from global business units was introduced to investors, who had the opportunity to raise questions about the business.

Other Roles and Responsibilities of the Board

- To conduct their duties in compliance with the laws, objectives, articles of association and resolutions of shareholders' meetings with duty of care and duty of loyalty.
- To formulate and approve the vision, strategies, business directions, policies, targets, guidelines, plans of work and budget of the Company and its subsidiaries as prepared by management and oversee the administration and the performance of the management or any

persons assigned to do such work to ensure compliance with the policies set out by the Board of Directors.

- To follow-up the outcome of work to ensure compliance with the plan and budget on an ongoing basis.
- To ensure that the Company and its subsidiaries adopt and set in place an appropriate, strong and effective accounting system including an internal control and internal audit system.
- To review the risk management procedures and policies and also follow up on the results.
- To set in place the corporate governance policy and its effective implementation.
- To appoint the sub-committees such as Audit Committee, Nomination, Remuneration and Corporate Governance Committee, or any other sub committees in order to assist the Board of Directors duties.
- To appoint the senior executive positions of the Company such as Chairman of Executive Committee, Chief Executive Officer, Chief Operating Officer and Chief Financial Officer and any other senior officer as deemed necessary.
- To appoint the Company Secretary to assist the Board of Directors in its various activities to run the business in line with the related laws and regulations.
- To seek professional opinions from external agencies, if required in order to take appropriate decisions.
- To encourage directors and executives to attend the seminar program of Thai Institute Directors Association (Thai-IOD) in the course that related to their duties and responsibilities.

In any case, the authorization of duties and responsibilities of the Board of Directors of the Company shall not constitute an authorization or sub-authorization which may cause the Board of Directors of the Company or its authorized person(s) to be able to approve any transaction that such person or any person who may have a conflict of interest (as defined in the notification of the Securities and Exchange Commission or the notification of the Capital Markets Supervisory Board) may have an interest or may benefit in any manner or may have any other conflict of interest with the Company or its subsidiaries, unless the approvals of such transactions are consistent with the policies and criteria approved by the shareholders meeting or the Board of Directors meeting. In order to achieve a balance of power, the position of the Chairman of the Board and that of the Group CEO are different. The Chairman of the Board of Directors is a Non-Executive Director.

2. Board Structure

There are 14 Directors on the IVL Board comprising of five Executive Directors, two Non-Executive Directors and seven Independent Directors. The Board has a diversity of nationalities, genders, ages and skills.

The Board structure is appropriate in relation to the size of the Company, number of Executive, Non-Executive and Independent Directors and qualification in terms of knowledge and expertise and provides a fair balance of power and effective management monitoring. The Company intends to maintain this broad base of knowledge and experience when it searches for new Directors in future.

The role of the Board is clearly set out in the Board of Directors Charter.

Role and Responsibility of Chairman

The principle role of the Chairman of the Board is to ensure that the Board is effective in its tasks of setting and implementing the Company's direction and strategy.

The Chairman plays a pivotal leadership role in ensuring that the Board works effectively. The key roles of the Chairman are:-

- Determining the composition, size and structure of the Board in order to create a balance between executive directors and independent directors.
- Ensuring the Board and its committees are properly established, composed and operated.
- Ensuring the effective operation of the Board and its committees in conformity with the highest standards of corporate governance.
- Ensuring the participation of the executives, non-executives and independent directors in the Board's decision processes and activities.
- Ensuring the whole Board plays a constructive part in developing and determining the Company's strategy and objectives.
- Ensuring comprehensive induction programs for new directors.
- Acting in the key role of governing the Board and fostering teamwork and mutual dedication for the sustainable success of the organization.
- Engaging the Board regularly in assessing and developing its performance and communicating expectations to directors and manage directors' performance.
- Ensuring that the company has succession plans for senior executives.
- Acting as Chair at the Board's and Shareholders' meetings together with setting the agenda in consultation with the management and the Company Secretary.
- Ensuring that Board members receive accurate, timely, and sufficient information for Board meetings.
- Ensuring that there are sufficient channels for effective communication between the Board members, management and shareholders.
- Providing independent advice to the management and Board.
- Appointing the Company Secretary to assist with Board functions.

In the Directors' profile, IVL discloses its director's names, profiles, qualifications, experience, and shareholding in the Company to demonstrate the Board's knowledge, competence, qualification and experience via the Annual Report and its website. It also mentions which Director is independent, executive, non-executive or represents a major shareholder.

The profile mentions the Board membership(s) of other companies held by the Directors.

The Board has appointed the Company Secretary in order to meet the requirements of the SEC/SET regulations. The Company Secretary is responsible for matters connected with meetings of the Board

and shareholders and to advise the Board on law and regulations that the Board must know to effectively perform its duties and to administer the Board's activities and ensure Board and Shareholders' resolutions are complied with.

3. Charters

The Company has in place the following Charters:

- Board of Directors
- Audit Committee
- Nomination, Compensation and Corporate Governance Committee (NCCG)
- Enterprise Risk Management Committee (ERM)

The Charters are all uploaded on the Company website under the Corporate Governance section.

4. Other Directorships

The Board Charter specifies the outside Directorship for Executive, Non-Executive and Independent Directors. Details are provided in the section "Selection and appointment of Directors" at the beginning of this report.

None of the Directors of IVL have breached the above Directorship criteria in 2014.

5. Retirement of Directors

One third of the Directors retire by rotation at every Annual General Meeting as specified in the Articles of Association of the Company. A retiring director is eligible for re-election. Voting for appointment/ re-appointment of Directors is done individually. The Company provides a detailed profile of the retiring Director who has given his consent to be re-appointed in the Notice to the Shareholders' meeting.

The Board and the NCCG Committee after due deliberation has acknowledged and will take into consideration the IOD recommendation of independent directors term of service as published from time to time and will annually decide if certain director/s will retire based on additional criteria i.e. expertise in our business, contribution by the director, health of the individual as well as the availability of a suitable replacement director.

6. Evaluation of Performance

The Board and subcommittee members carried out a self-evaluation on the Board and subcommittee performance in 2014. The results were summarized and discussed at the Board meeting held in February 2015. The Board and subcommittee members were evaluated as having given very good performance rating in 2014.

For the self-evaluation on the Board, the Company follows the guideline prescribed by the SET which is based on the following six criteria namely a) structure and characteristic of the Board b) role and responsibility of the Board c) Board meetings d) the Board's performance of duties e) relationship with management f) self-development of directors and executive development.

The Chairman of the Board through the NCCG Committee does an individual assessment of all Directors based on the following criteria.

- Supports the mission, vision and aims/objectives of this organization.
- Understands IVL's main business and does not intervene in the objectives or work for any competitor
- Understands the role of the Board and the legal and ethical responsibilities of a Board member
- Usually attends regular and special board meetings and other events requiring board participation.
- Usually attends regular and special board meetings and other events requiring board participation.
- Studies the agenda items before attending the meeting and ensures that information is sufficient to proactively consider the agenda
- Carefully reviews all the minutes of the each Board of Directors and Shareholder meetings
- Examines all documents relating to all matters that concern the board of directors. If something is not clear, he/she asks the management to explain as quickly and clearly as possible
- Raises questions on important matters and gives suggestions and recommendations to the management
- Carry out other committee responsibilities in an effective and timely manner.
- Ensures management's accountability to shareholders; preserves their rights and interests; clearly and fully discloses information
- Attends all Board meetings and makes decisions on significant activities by the Company concerning the acquisition and disposition of assets, investment project expansion, policy implementation, and/or risk management etc.
- Avoids participation in board issues where it may be perceived there is a conflict of interest.
- Avoid other positions or jobs that may have led to conflicts of interest with the Company.
- Accepted only those positions as director or non-executive director on the Board of listed companies that allow sufficient time to attend meetings.
- Willing to participate in development opportunities, including workshops, information sessions and conferences, and in taking on new roles.
- Enjoys service as a Board member in the organization or actively works to change the issues or activities which are a barrier, or reconsidering commitment to the organization.

For Independent Directors

- Demonstrates independence of thought and judgment in order to protect the interests of all Shareholders.

7. Functional Performance

The Board of Directors held seven meetings during 2014. The Company generally proposes to schedule a minimum of five meetings a year. Typically, a meeting is convened every three months with extra meetings convened as and when necessary to review operations, financial matters, plans,

or other matters. Prior to the close of each year a schedule of meetings for the next year is circulated to the members to fix the meeting dates well in advance and also to ensure maximum participation. All the independent Directors met on February 05, 2014 to review and discuss the Company's performance and other matters. The Independent Directors thereafter met the Group CEO and discussed with him the outcome of their meeting. A similar meeting of the Independent Directors will be held on 13 February 2015.

The Chairman, Group CEO and Company Secretary set the Board meeting agenda and the Company Secretary sends invitation letters together with the agenda and relevant documents to the Directors at least seven days prior to the meeting to allow adequate time for the Directors to study the information.

At each Board Meeting, the Chairman allows each Board member to express his or her views and management to answer all queries in full. If desired, Directors can request for additional information from a designated person.

Detailed minutes are prepared for each meeting, which includes

- the meeting date
- time of meeting commencement and completion
- name of Directors who attended or were absent from the meeting
- summary proposals to the Board on each issue,
- a brief report of the discussion
- each Director's observations
- the person authorizing the minutes

The Minutes are circulated within 14 days of the Board meeting.

The summary of Minutes of all subsidiary companies' board meetings is attached to the Board papers and provided on CD every quarter in order for the Board members to gain full knowledge of the activities at the various locations.

The followings are the details of attendance of the Board of Directors' meeting in 2014

Name	Attendance / Total Meetings
1. Mr. Sri Prakash Lohia	5/7
2. Mr. Alope Lohia	5/7
3. Mrs. Suchitra Lohia	4/7
4. Mr. Amit Lohia	5/7
5. Mr. Sashi Prakash Khaitan	7/7
6. Mr. Dilip Kumar Agarwal	7/7
7. Mr. Udey Paul Singh Gill	6/7
8. Mr. Rathian Srimongkol	7/7

Name	Attendance / Total Meetings
9. Mr. Chakramon Phasukavanich*	4/5
10. Mr. Maris Samaram	7/7
11. Mr. William Ellwood Heinecke	4/7
12. Dr. Siri Ganjarerndee	6/7
13. Mr. Kanit Si	7/7
14. Mr. Apisak Tantivorawong	5/7
15. Mr. Russell Leighton Kekuwa**	1/1

* Mr. Chakramon Phasukavanich resigned from the Board of Directors and Audit Committee on August 27 2014 to take up Public office.

**Mr. Russell Leighton Kekuwa was appointed as Independent Director in place of Mr. Chakramon Phasukavanich by the Board of Directors at their meeting no 6/2014 dated October 20, 2014.

The Board maintained a quorum of two thirds in six out of the seven meetings held in 2014.

8. Performance Measurement of Executive Directors, Group CEO and Management

The Group CEO and other executive Directors have their Key Performance Indicators (KPI) set by the Board on the recommendation of The NCCG committee. This takes the form of a Balanced Scorecard. At the end of each year their performance is used in the calculation of their compensation by the NCCG Committee.

For Senior Management Executives the NCCG Committee reviews and approves on an annual basis the evaluation process and compensation structure and assigns the Human Resources department to approve the annual compensation, including salary, bonus and non-equity incentive compensation. Similarly, the line managers will follow the same principles when evaluating their staff.

Details discussed in the section “Executive Director, Group CEO and Management Remuneration” below.

9. Remuneration

The current remuneration of Independent Directors and Non-Executive Directors, including bonus, is established based on assignments and responsibilities. Such remuneration proposed by the Board and recommend by the NCCG Committee requires the approval of the Shareholders’ Meeting.

The Policy and criteria followed by the NCCG Committee has been explained above in the section on Approving Directors Remuneration.

In 2014 the total annual remuneration approved at the Annual General Meeting of Shareholders No. 1/2014 held on April 24 2014 was for an amount not exceeding Baht 16,000,000

The actual remuneration paid in 2014 is Baht 15,270,000, against the approved amount of Baht 16,000,000. The details of the remuneration paid are hereunder:

As Directors of the Company

No.	Independent/ Non-Executive Directors	Amount Approved (Baht)	Actual Paid (Baht)
1	Mr. Sri Prakash Lohia	75,000 per month	900,000
2	Mr. Rathian Srimongkol	50,000 per month	600,000
3	Mr. William Ellwood Heinecke	50,000 per month	600,000
4	Mr. Chakramon Phasukavanich*	50,000 per month	400,000
5	Mr. Amit Lohia	50,000 per month	600,000
6	Mr. Maris Samaram	50,000 per month	600,000
7	Dr. Siri Ganjarerndee	50,000 per month	600,000
8	Mr. Kanit Si	50,000 per month	600,000
9	Mr. Apisak Tantivorawong	50,000 per month	600,000
10	Mr. Russell Leighton Kekuewa**	50,000 per month	100,000
Total			5,600,000

*Mr. Chakramon Phasukavanich resigned from the Board effective August 27, 2014.

**Mr. Russell Leighton Kekuewa was appointed by the Board on October 20, 2014. His remuneration is paid effective November 01, 2014.

**Mr. Russell Leighton Kekuewa was appointed on 20 October, 2014

As Audit Committee Members

No.	Members	Amount Approved (Baht)	Actual Paid (Baht)
1	Mr. Rathian Srimongkol	75,000 per month	900,000
2	Mr. Chakramon Phasukavanich*	50,000 per month	400,000
3	Mr. Maris Samaram	50,000 per month	600,000
4	Dr. Siri Ganjarerndee**	50,000 per month	100,000
Total			2,000,000

*Mr. Chakramon Phasukavanich resigned from the Audit Committee effective August 27, 2014.

** Dr. Siri Ganjarerndee was appointed by the Board as an Audit Committee member on October 20, 2014. His remuneration is paid effective November 01, 2014.

As Nomination, Compensation and Corporate Governance Committee Members

No.	Members	Amount Approved (Baht)	Actual Paid (Baht)
1	Mr. William Ellwood Heinecke	35,000 per month	420,000
2	Dr. Siri Ganjarerndee	25,000 per month	300,000
3	Mr. Kanit Si	25,000 per month	300,000
Total			1,020,000

As Enterprise Risk Management Committee Members

No.	Members	Amount Approved (Baht)	Actual Paid (Baht)
1	Mr. Rathian Srimongkol	25,000 per month	300,000
2	Mr. Maris Samaram	25,000 per month	300,000
3	Mr. Russell Leighton Kekuewa*	25,000 per month	50,000
Total			650,000

*Mr. Russell Leighton Kekuewa was appointed as member on 12 November 2014

Bonus for 2013, as Directors of the Company

No.	Directors	Actual Paid (Baht)
1	Mr. Sri Prakash Lohia	526,400
2	Mr. Alope Lohia	631,600
3	Mrs. Suchitra Lohia	315,800
4	Mr. Amit Lohia	315,800
5	Mr. Sashi Prakash Khaitan	315,800
6	Mr. Dilip Kumar Agarwal	421,000
7	Mr. Udey Paul Singh Gill	315,800
8	Mr. Rathian Srimongkol	631,600
9	Mr. Maris Samaram	421,000
10	Mr. Chakramon Phasukavanich	421,000
11	Mr. William Ellwood Heinecke	526,400
12	Dr. Siri Ganjarerndee	421,000
13	Mr. Kanit Si	421,000
14	Mr. Apisak Tantivorawong	315,800
Total		6,000,000

The Executive Directors on the IVL Board and Sub Committees are not paid any retainer fee.

10. Executive Director, Group CEO and Management Remuneration

The key principles followed by the NCCG Committee in determining the compensation are:

- To review and approve on an annual basis the evaluation process and compensation structure for the Company's Executive Directors. The Committee evaluates the performance of the Company's executive directors and approves the annual compensation, including salary, bonus and non-equity incentive compensation for them based on initial recommendations from the Group CEO. Moreover, the Committee maintains regular contact with the leadership of the Company.
- To review and approve on an annual basis the corporate goals and objectives (KPI) with respect to compensation for the *Group Chief Executive Officer*. The Committee shall evaluate at least once a year the Group Chief Executive Officer's performance in light of these established goals and objectives and based upon these evaluations shall set the Group Chief Executive Officer's annual compensation, including salary, bonus and non-equity incentive compensation (if any).
- To review and approve on an annual basis the evaluation process and compensation structure for the senior executives. The Committee shall approve or may assign the Human Resources department to approve the annual compensation, including salary, bonus and equity and non-equity incentive compensation for senior executives.
- Base salaries for the Company's Group CEO and Executive Directors depend on the scope of their responsibilities, their capabilities, and the period over which they have performed those responsibilities.
- Annual bonuses for the year and the percent change from the prior year's bonus for senior executive officers are determined after an evaluation of the overall performance of the Company,

the performance of the business or function that the officer leads and an assessment of each officer's performance against expectations, which were established at the beginning of the year. The bonuses also reflect (and are proportionate to) the annual financial results of the company.

- Other non-equity compensation is paid as per the HR manual of the Company which is reviewed from time to time.

Remuneration paid to the IVL Management team in 2014 was approx. Baht 77 million. The IVL management team comprises of the Group CEO, Executive Director, CEO of PET and Feedstock business, President of PTA business, President of EG/EO business, President of Polyester business, President of Wool business, the Head of Finance and Head of Accounting.

No compensation was paid to Directors or Management in the form of shares.

11. Succession Planning

The NCCG Committee has put into place a Succession Plan for the Group CEO and Key Management team in consultation with the Board.

For all other employees the Global HR department works with line management to create succession plans.

To ensure that the succession plans are effective, the Global HR implements employee development and training and also implements a fast track process for those it believes have high potential.

12. Strategy Meeting

The Company holds one Board meeting every year to approve the Company's strategy and Annual Business Plan. This allows the senior management to interact with the Members of the Board for free and frank discussions on future direction of the Company. The Strategy meeting for 2014 was held on January 12, 2014.

13. Professional Development of Directors

The Director who joined the Company during the year was given a Directors Orientation folder with complete information about the Company and its subsidiaries to assist him in getting well acquainted with the business, practices and procedures of the Company and his rights, duties and obligations as Director. In addition orientation meetings were arranged with the management team members.

Apart from the periodic informal meetings with the management teams, the Directors are invited to attend the various business meetings held during the year.

The Board encourages the Board members, Audit Committee members, management team members, Company Secretary and Internal Auditor to attend seminars, training and courses which would assist in further improving their contribution/performance in the Company. IVL encourages the members of the Board to undergo applicable training programs. IVL Directors attended the following programs in 2014.

- Mrs. Suchitra Lohia – Director Accreditation Program Class No. 108/2014 (DAP), Thai Institute of Directors

The details of all courses attended are in the Directors profiles.

The NCCG Committee has identified members of the Board and management who will attend the IOD training programs in 2015, details of which will be disclosed in the next year's report.

Our Company's policies, integrity, ethics and disclosures always seek to emulate the best practices in Corporate Governance.

PEOPLE

Being a global organization, our growth trajectory is contingent on people who thrive in a multicultural world in the workplace and in the market. We ensure that a judicious mix of talent is infused in our workforce. Our employee base includes a broad range of functions and roles globally, from manufacturing and maintenance experts to new product designers and plant workers, from specialists in marketing, sales, logistics, customs, tax and trade, to finance & accounts, managers and many, many more.

Our Approach

We believe that it is people who make all the difference. With "People First" as one of IVL's values, our global strategy for Human Resources (HR) is to help unleash this across every area of our business. The HR function along with the leadership team acts as a catalyst to ensure that a congruence of vision and values of IVL becomes the order of the day resulting in accelerating operational and functional excellence.

This fosters an inclusive and collaborative environment where our employees are well poised to address change. Honing the ability of employees to ask the right questions, examining learning opportunities, and continually re-thinking the needs of the business are ever-present priorities that are supported by leaders who coach and inspire.

Global Workforce Strength

experienced talent with diverse educational, cultural and national backgrounds. The diversity broadens the talent pool and at the same time, enriches the global views, skills, knowledge, working styles and cultures.

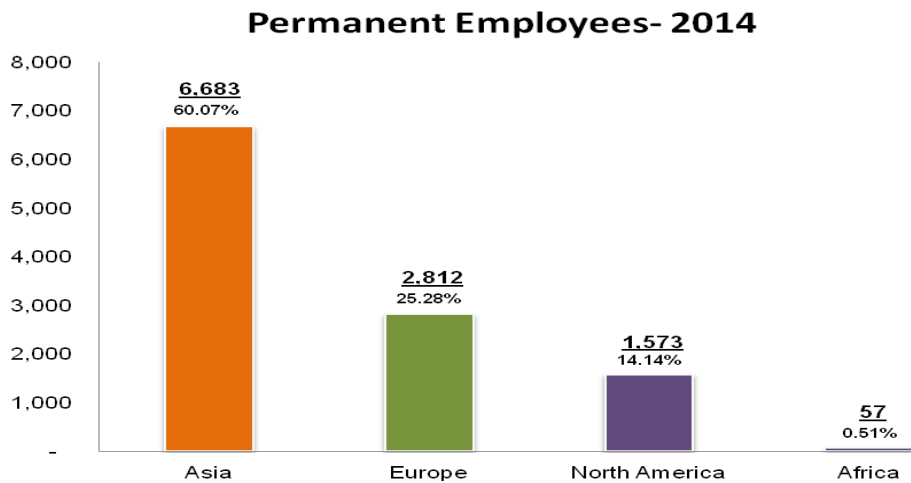
Key highlights of our global workforce in terms of numbers are as follows:

Permanent employees

Type of Business	As of December 31, 2014
Feedstock ⁽¹⁾	856
PET ⁽²⁾	4,373
Fiber	5,065
Wool	479
Non-Operating Business	352
Total Permanent Employees	11,125

Remarks: (1) PTA Business and EG/EO Business; (2) Includes workforce of packaging segment

Geographical spread of 11,125 permanent employees is in four continents.



Acquiring, Managing and Developing Talent

In building our teams, we focus on the company's future business needs and how we can plan for growth. We hire multi-skilled people, both from within the industry and from other relevant sectors. In addition, partnerships with Industrial Training Institutes, Engineering and Management Institutes ensure a steady influx of high quality people getting inducted to fuel the growth plans. In building our teams, we focus on the company's future business needs and how we can plan for growth. Human Resource function continues to undertake extensive outreach recruitment activities to identify more qualified and diverse candidates.

We concentrate on key areas that help to sustain our business performance. Our talent strategy focuses on critical assignment planning, manager accountability for coaching and mentoring, and team learning. We also plan to work on ensuring successful leadership transitions, develop the next generation of leaders and grow emerging and diverse talent.

Training

Talent development is at the heart of building human capital in IVL. The company appreciates in value as employees develop their skills and organizational knowledge. We view training as a whole system and not as one-time event. This means that what happens before and after the actual training, is just as important as the training itself. The focus is on following multi-pronged approach embracing the development from technical to behavioral, from organizational to individual level, on-the-job training to e-learning platform.

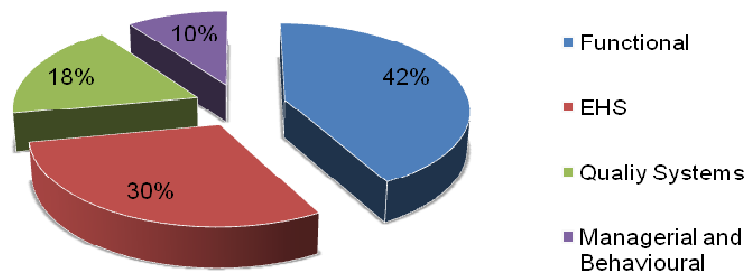
- a) Organizational level programs are related to CSR, Safety, Health & the Environment.
- b) Functional level programs are grouped in Technical & Functional programs.
- c) Individual level training requirements are addressed through the programs which were related to behavioral and managerial related training.

Some of the global statistics of the training imparted in 2014 across all locations of IVL speaks about the intensity and the coverage of employees.

Themes	Batches	No. of Participants	Training Hours
Behavioral	97	2,129	5,818
Managerial	27	473	2,650
Functional	101	1,605	3,939
Technical	428	7,832	16,173
EHS ¹	380	11,342	8,775
Quality System	233	7,194	10,223
Total	1,264	30,573	47,578

Note: 1- Environment, Health and Safety including CSR training

Individual development was focused and a maximum of 42% of the training was in Functional areas, 30% on EHS, 18% on Quality Systems and 10% on enhancing individual Managerial and Behavioral Competencies.



Role of Manager to Inspire Individuals and Teams

IVL's commitment to its workforce includes enabling managers and leaders to be levers for accelerating the company's growth. We invest in our leaders by providing learning and development opportunities that teach managers how to amplify their employees' talent, energy and capabilities. Being a "talent multiplier" is not about making people work harder, but about engaging them in a way that helps them produce better and more relevant work.

The senior management has four principles of manager excellence: lead, coach, drive and inspire. These principles define how we reach our individual and collective potential. Managers are role models who inspire their teams, live the passion for excellence and promote creative environments for best thinking and work.

IVL equips leaders to plan, learn and grow individual talent, align strategy and manage team performance, celebrate and reward performance and drive excellence across the organization.

Succession Planning

The planned talent reviews plays a key role in deepening the strength of our bench and help leaders make thoughtful choices about putting the right people to work in the right areas. In these reviews, leaders will be accountable for improving the performance, potential, diversity and continuity of their teams while ensuring the highest return on investments in our talent. This comprehensive career approach will strengthen our globally diverse talent with the critical experiences and leadership skills they need to achieve IVL's business objectives and realize their own potential.

Rewards and Benefits

The compensation system is designed to take care of country specific requirements in terms of statutory benefits, business and individual. We have devised both business segment performance and individual performance linked incentive programs that link the performance to compensation at individual level. We measure our compensation packages against industry standards and seek to match or exceed them.

Culture

At IVL, we want an open and creative culture that harnesses diversity and inclusion to inspire ideas and ignite innovation. All units are unique in terms of their culture. However, Operation Excellence and innovation has brought significant shift in the culture of saving cost and development of new products.

There is an emphasis for expatriates to learn the local language to help them to be integrated into the local culture easily. The learning of the local language by expatriates is given an additional incentive in terms of remuneration. We recognize that there is no single approach nor is there a finish line to this type of work. There are many factors that need to be in play to create high-performing, diverse and inclusive teams. Team composition, manager's excellence and team culture are all critical to success. While we take an innovative approach to this work, we balance it with the need to offer the

fundamentals through education and awareness programs. These basic principles of diversity and inclusion not only make IVL a better company, but have the ability to contribute to making a better world. Gender diversity is also an important criterion and hence the ratio of female is about 25% in the workforce.

Health and Safety

We promote and manage a healthy and safe working environment for employees. We offer everything from healthy-living pledges included in employee-benefit plans to risk-based safety assessments and tracking globally. We provide extensive safety training to employees based on the type of job they do and the level of risk associated with that job. We track and assess recordable and lost-time incident rates against industry and benchmarked world-class averages. Measured facilities include high-risk facilities, consisting of distribution centers, in-house manufacturing and high employee population locations.

We use internal and external audits to assess facility performance, on a one-to three-year cycle based on performance and risk profile -targeting high-hazard and large-population facilities. We audit for compliance with IVL's environmental, safety and health standards.

Material Labor Disputes in Past 3 Years

Since the establishment, the Company never had any material labor dispute.

10. Corporate Social Responsibilities (CSR)

10.1 Sustainability: Overview

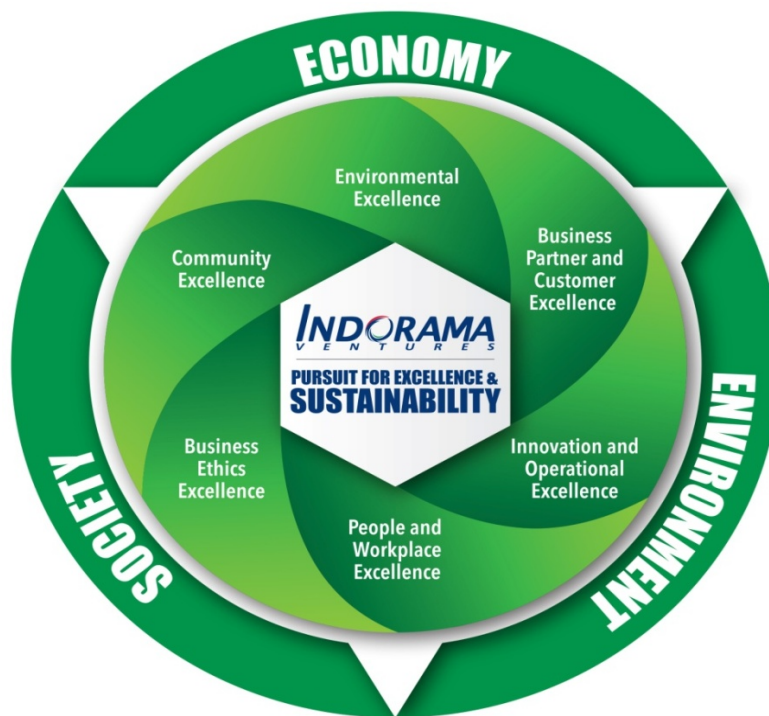
At Indorama Ventures, sustainability means long-term viability and encompasses the entire operations of the Company. Being sustainable means acting in a socially, environmentally and economically responsible way in everything we do.

IVL's sustainability initiatives provide significant business value, from reducing operating expenses, expanding new markets, managing risks, attracting and retaining talent, meeting stakeholder expectations and increasing brand value. By integrating elements of sustainability into our operations, we enhance our ability to innovate new solutions, processes and products to differentiate ourselves and build a more resilient business.

Sustainability Vision and Commitments

Indorama Ventures has set itself a very clear ambition "to be one of the most admired companies in the world." We believe sustainability is a core element if we wish to achieve our vision. We strive to earn the trust and respect of our stakeholders by holding ourselves accountable for our environmental, economic and social impacts.

We continue to develop policies and business practices to embed sustainability principles across our operations. In 2014, we have refined our business-relevant sustainability framework, in consultation with senior executives from all our business, locations and functions including other stakeholders. These objectives reflect our continual pursuit of excellence and sustainability.



1. Environmental Excellence

- Reduce our overall environmental footprint and continually improving our environmental performance
- Responsible use of environmental resources and minimize pollution and waste
- Go beyond compliance with local environmental regulations to meet internationally accepted best practice
- Make a positive contribution to the protection of the environment and ecosystem and the mitigation of climate change

2. Business Partner and Customer Excellence

- Deliver the highest quality products and solutions to any sustainability challenges in a cost-effective manner
- Achieve customer delight and loyalty for a long-lasting relationship
- Extend social and environmental sustainability along the value chain

3. Innovation and Operational Excellence

- Respond to the needs and expectations of stakeholders with innovations in terms of product, services and processes to increase their satisfaction.
- Pioneer innovative solutions to address the sustainability challenges
- Invest in technology leadership through inorganic growth (M&A)
- Continually drive for efficiencies in all our processes to gain a competitive advantage and leadership

4. People and Workplace Excellence

- Provide our people the opportunity to develop their career
- Promote diversity and inclusion; respect and empower of people
- Create a safe and healthy work environment

5. Business Ethics Excellence

- Fully comply with laws and regulations and conduct business with the highest level of ethics and integrity.
- Promote an ethical culture

6. Community Excellence

- Create strong communities which offer people economic growth and a great quality of life
- Support and build a healthy environment within the community
- Promote community services and employee involvement

In each of these areas, we have developed initiatives and made progress on setting targets and rolling out those initiatives within the Company. Progress is monitored through regular performance review and reporting across our company.

10.2 Sustainability Performance and Reporting

Stakeholder Identification and Analysis

Engagement is about bringing the voices of stakeholders into decisions that affect or interest them. Our engagement programs help us to understand and respond to the concerns and expectations' of our stakeholders.

Responsibility for stakeholder engagement and management is decentralized. Individual business units or functions are responsible for identifying stakeholder concerns in their particular areas and taking appropriate action. At group level, the Sustainability Steering Committee (SustSCo) oversees all engagement and bringing potential gaps that may exist to the Sustainability Committee's attention.

Stakeholder identification has been done through a brainstorming process to collect a list of people who stand to gain or lose economically, socially and environmentally through the actions of the Company. To develop a good understanding of our stakeholders, we draw out stakeholders' expectations, interests, benefits and their concerns. Then, we prioritized and determined how to engage the different stakeholders.

Communicating with and listening to our stakeholders enable us to prioritize issues effectively and contribute to our overall sustainability strategy. We also see stakeholder engagement as a way to drive innovation, mitigate risks and build trusting relationships.

We have tailored our engagement processes using different communications methods to suit each different stakeholder group. To help us deliver our commitment, we intend to improve our stakeholder engagement process continuously.

Our Approach to Sustainability Reporting

As part of our commitment to transparency and strengthening our engagement with stakeholders regarding our sustainability efforts, we publish our sustainability report annually. This report provides insight into our approach to sustainability, objectives, strategy and performance.

In our sustainability reporting system, we aim to cover all factories with IVL's operational control including wholly-owned subsidiaries and majority-owned joint ventures worldwide.

Data in the Sustainability Report covers performance during the 12 month-period of 2014 calendar year. The report is prepared in accordance to Sustainability Reporting Guidelines of Global Reporting Initiatives Generation 4 (GRI G4). We issue our Sustainability Report on an annual basis. It is available on our website (www.indoramaventures.com/sustainability).

We believe in accurate and transparent reporting, content and data disclosed in our sustainability report is independently verified by external assurance. Indicators were selected for assurance based on the issues and indicators that are most significant to the sustainability performance of the business, as well as the key risks identified by the whole group.

Sustainability Management and Governance

To drive sustainability forward, we have a sustainability governance structure supporting the development and execution of our sustainability strategy. Our governance structure allows us to effectively manage sustainability and ensure accountability runs right to the top of the Company.

In 2014, we made several structural changes to support integration of sustainability within the Company. These included renaming the “Enterprise Risk Management Committee” to the “Sustainability Committee”, forming a Sustainability Steering Committee to lead and monitor company-wide sustainability performance.

Sustainability Committee (SC)

IVL’s sustainability governance is led by its Sustainability Committee as the highest governance body. The Sustainability Committee is chaired by the Group CEO and comprises six members, including three independent directors.

The objective of the Sustainability Committee is to provide oversight and assist the Board in fulfilling its responsibilities in respect of development, implementation, monitoring and reporting of the Company’s sustainable development.

The Sustainability Committee is responsible for setting the overall approach to sustainability and oversees how sustainability strategies support business goals, aspirations and balance with stakeholder expectations.

The Sustainability Committee has established the two sub-committees: the Sustainability Steering Committee and Social and Community Development Committee to promote and facilitate economic, environmental and social sustainability at IVL.

The Sustainability Committee will meet as frequently as required to review sustainability matters that may have a significant impact on the Company and approve our annual sustainability reporting and disclosure. Minutes of all meetings are kept by the Secretary to the Sustainability Committee.

Sustainability Steering Committee (SustSCo)

IVL has made significant progress toward sustainability. In 2014, the Sustainability Steering Committee (SustSCo) was formed and comprises senior leaders from different functions and businesses with deep subject matter expertise. The formation of this new committee aims to define accountability and create a more centralized sustainability structure while driving the campaign forward.

The role of the SustSCo is to steer IVL’s effort to integrate sustainability into its current activities, long-term strategic planning process and risk management framework. The SustSCo will oversee the development and implementation of IVL’s strategy and policies on sustainability. The SustSCo will meet periodically to monitor sustainability performance, assess the risks associated with the

sustainable development aspects, review stakeholders' feedback, sustainability trends/ issues and the sustainability reporting framework.

The SustSCo will provide progress updates and report challenges and new developments as well as make recommendations to address performance gaps to the Sustainability Committee.

Corporate Social Responsibility Committee

The CSR Committee has primary responsibility for planning, overseeing and coordinating of social, community and economic development programs at IVL. The CSR Committee will monitor the Company's social and community programs and performance, bring up issues of concern, propose solutions and plan future initiatives.

The CSR Committee meets formally every quarter to update on performance and review programs related to social and community development.

Local Working Group

Local Working Groups are set up at each location to coordinate activities with employees, communities and local authorities. All activities are monitored locally for effectiveness and feedback and reported to the CSR Committee on a monthly basis.

Structure of the Sustainability Functions



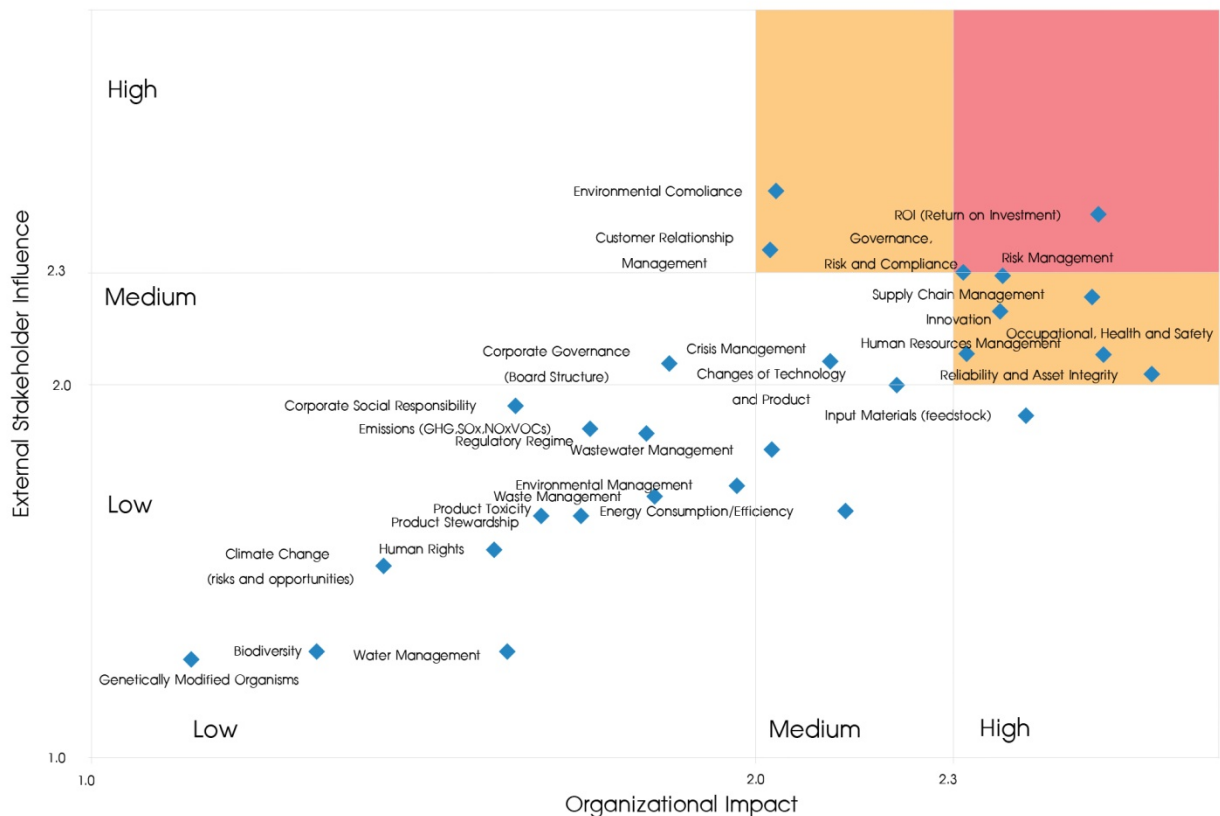
Our Priorities and Performance

We focus our efforts on areas that are of greatest interest and concern to our stakeholders and deliver the greatest value to our business. To maximize the impact of our sustainability efforts, we follow a systematic method using a materiality analysis to identify a focused list of the most significant material issues.

We draw input from range of internal stakeholders, from site heads, business heads and corporate level heads to determine what matter to our stakeholders. Webinars were conducted to engage all relevant internal stakeholders and ensure consistent understanding across all IVL companies regarding the rating of material issues.

Material Issue rankings were obtained from IVL's internal stakeholders through the use of a standardized questionnaire template. In total, data was collected from 17 sites, seven businesses and eight corporate functions. A total of ten countries were represented in the questionnaire response.

By analyzing the rankings, we developed the list of issues. IVL's Sustainability Steering Committee reviewed and assessed the matrix of key issues that response to business objectives and mega-trends. The average of site level, business level and corporate level rating were made, and the combined IVL rating was made based on average with equal weighting of the ratings of all three levels. This process created our materiality matrix for 2014 as below;



Based on the assessment, senior management agreed on key materials issues. IVL reviewed the GRI aspects and where relevant assigned indicators; reference GRI index.

We have identified our most material sustainability issues based on our stakeholders' concerns and interests against those that have the biggest financial or operational impact on our business and use them as a guide for our activities. The following are eight key materiality issues identified

1. Innovation Management
2. Governance and Compliance
3. Supply Chain Management
4. Customer Relationship Management
5. Operational Efficiency
6. Environmental Management
7. Health and Safety
8. Human Resources

These issues have been categorized into three dimensions

Economic Dimension

1. Innovation Management

A focus on innovation is a key part of our business strategy. We have built world-class R&D and strengthen our R&D portfolio through acquisitions and collaborations. We recognized that innovation is not limited to the innovation of product but also include process innovation. Therefore, our innovations cover developing new or improved products and processes to gain a competitive advantage. Through innovation, we can continuously make products that are more environmentally sustainable and directly contribute to social sustainability.

Innovation Councils

To better manage the innovation process within the Company and strengthen innovation performance, we established the Resins, Fibers and Feedstock Innovation Council consisting of R&D leaders and senior executives from both technical and commercial. The Councils are focused on enhancing company performance, productivity and competitiveness through improved management of innovation, technology and knowledge. By coordinating R&D across the Company, unnecessary duplication of effort is eliminated, which in turn creates the proper environment to increase knowledge sharing, increase the speed of new product development efforts, and increase the overall probability of success in new product launches.

Product Development Process

Product ideas need to pass several checks and balance, by the Innovation Council before being approved for production.

The Individual business site R&D capabilities are organized into Centers of Excellence (CoE) covering major areas of technical competence. In order to facilitate effective communication among the global business unit R&D capabilities, a Knowledge Portal is used for the collection of pertinent knowledge and information.

Co-creating Unique Value with Customers

Our product innovation is developed in response to unmet demand and to bring more effective, cost-efficient and environmental friendly solutions to our customers. It is seen as a way not only for customers to receive differentiated products that add value to their own businesses but to add value to the bottom line of the Company. We also work closely with our customers and renowned research organizations.

Process Innovation

Our process innovation and operational excellence are aimed at cost reduction and operational improvement to gain a sustaining competitiveness. We continue to examine our working process and invest in innovative and energy-efficient technologies to reduce energy consumption and carbon footprint. Lean Six Sigma is also used to drive continuous improvement.

Key Initiatives in 2014

Resin Technologies

The Company has launched Polyclear EBM 5506, an improved “second generation” EBM resin. Our Polyclear™ EBM PET 5506 resin is recognized by The Association of Post-consumer Plastic Recyclers (“APR”) as meeting or exceeding the APR PET Critical Guidance Document protocol.

2. Governance and Compliance

The company is committed to integrate corporate governance into our culture across the global business operations. This allows all those involved to understand the part they play in the ongoing growth of the organization and leads us to business sustainability eventually.

Starts at the top, the Board of Directors has an ultimate responsibility to the governance of the company and its controlled entities. Our Board of Directors is chaired by a non-executive director, and comprises of executive directors, non-executive directors and independent directors. Our proper board composition of number of executive, non-executive and independent directors, with suitable qualifications, knowledge and expertise, provides a fair check and balance system of power for effective management.

We conduct our operations in compliance with the corporate governance requirements applicable in the countries in which we operate, whilst ensuring accordance with internationally accepted principles of good governance.

We have check and balance systems in place to ensure the continuous reliability across all its subsidiaries and affiliates globally. The way we assure our performance, management assurance is provided by a combination of effective management processes and embedded risk and compliance procedures. The Board of Directors has assigned the Audit Committee to supervise the financial reporting process of the Company and its subsidiaries in accordance with generally accepted and consistently applied accounting standards and in line with the rules and regulations of the Thai Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) as well as

relevant legislations. The Company has in-house Internal Audit Department reporting directly to the Audit Committee. The Internal Audit Department is responsible for reviewing the adequacy of internal control systems on a global basis for the Company. Independent assurance is provided primarily by internal audit and independent external auditors.

The Company constantly keeps its sets of corporate governance framework under review to ensure that it is current and meets the company and industry requirements. The Board shall undertake an annual Board performance evaluation which compares the performance of the Board with the requirements of the Charter. The Board of Directors shall consider the result of the assessment for future improvement.

Our code, policies and standards

We have developed our policies to ensure we meet our ethical standards and comply with applicable laws. These obligations apply to all Indorama Ventures subsidiaries and affiliates as well as to our relationships with our stakeholders. All employees and legal entities are expected to abide by all of these policies. With our diverse geographic locations, our policies have been designed and developed keeping in mind the local norms and legal structures whilst remaining relevant to a basic framework of principles from a global viewpoint. We have managed to deliver our corporate governance policies into native languages where our businesses operate. Providing employees with translated materials is one of our approaches of a comprehensive strategy to effectively provide equal access to adequate corporate governance policies for all our people globally.

Key Initiatives in 2014

Corporate Governance Policy Awareness Campaign (CGPAC)

The Company conducted CGPAC in 2014. 16 related policies were deployed and the same was informed to all the employees through the HR functions of the respective units. These policies are available in 12 languages and are all available on the company's website.

Corporate Governance Scorecard

The 2014 Key Result Areas (KRAs) of the Group Chief Executive Officer were reviewed and included "Corporate Governance" in his Balance Score Card and adopted the same to other Executive Directors.

Anti-corruption Program

To drive IVL's commitment in anti-corruption, the Company conducted training sessions on anti-corruption at the Head Office and Thai sites in 2014. Total 14 training sessions have been conducted in 2014 with total of 313 employees attended (55% of participants are in the management level).

Collective Action Coalition Against Corruption (CAC)

The company participated in the Thailand Private Sector Collective Action Coalition Against Corruption (CAC) and received CAC Certification in October 2014.

3. Supply Chain Management

IVL is committed to manage the social and environmental impacts of our supply chain globally. We employ socially and environmentally responsible business practices throughout our supply chain, from product development continuing through all phases of production and final distribution.

Suppliers have a significant impact on our sustainability performance and critical to our business success. Therefore, IVL's suppliers are demanding the same high standard with regard to ethics, labor practices, health and safety, human rights and environment. We have established our code of conduct for IVL's suppliers to promote responsible practices, improve social and environmental performance and strengthen our supply chain. Our supplier Code of Conduct contains the minimum requirements that we expect our suppliers to comply.

The selection of our suppliers is based not only on the quality and pricing of their products and services, but also their commitment to social, ethical and environmental principles.

Code of Conduct for IVL Suppliers

The relationships between Indorama Ventures and its suppliers are founded upon a concept of mutual trust and respect. It is of vital that the company's network of suppliers is developed and maintained in long-term business and responsibility. In our efforts to foster effective collaborations, we continually seek to understand how the company's and our suppliers' needs and capabilities can be aligned with our partners' to build trust, business and reputation together.

Our supplier code of conduct has been set as a joint declaration of our intention as business partners to commit ourselves to the highest level of business conduct. It is based on international fundamental principles include ethics, human rights, environment, health and safety.

A supplier code of conduct is intended to assist suppliers in functioning smoothly and efficiently while performing work for Indorama Ventures. Our goal is to work with suppliers to assure compliance with these requirements. We expect our suppliers to ensure their businesses operate in compliance with the standards of our supplier code of conduct and to avoid activities that suggest even the appearance of impropriety.

Key Initiatives in 2014

Supplier Code of Conduct and Compliance Program

In 2014, IVL developed and introduced our first Supplier Code of Conduct to ensure that our suppliers operate in accordance with standards on human rights, health and safety, environment and business ethics.

We asked all our first tier suppliers to sign our Supplier Code of Conduct. All new suppliers will be required to sign to the Code as part of any new contract.

Key Initiatives in 2014

Sustainable Procurement Programs

We participate on voluntary Corporate Social Responsibility Assessments requested by our customers through agencies such as EcoVadis, Sedex.

4. Customer Relationship Management

We value the customer at every level of the Company and have made customer satisfaction one of the goals of the Company that is also reflected in our mission statement, whereby we focus our activities to achieve customer delight and loyalty for a long-lasting relationship.

Our global sales management is centralized at headquarter or on a regional level grouped by product segment, where sales operations are done at local level to keep us close to our customers and maintain superior customer service. Under centralization, the important decisions are taken by the top level of management. Strong collaboration between local and central level is maintained to ensure customer satisfaction.

Customer Satisfaction

Customer satisfaction is essential to achieving sustainable business success. One of the major strategies of IVL for optimal customer satisfaction is geographic diversity. The size and distribution of our assets provides the Company with economies of scale in most of the major regions of the world – Asia, Europe, North America and Africa. The global locations, several of which are integrated with our feedstock, allow us to provide fast and efficient service that is designed to minimize cost to the customer and the Company. “One contract, global deliver” sums up our philosophy of on-the-sport capacities on a global level.

Many of our branded global customers are in the fast moving consumer goods industry, located in emerging market. We expand our geographical coverage in these attractive and high growth markets and offering supports to these branded customers with local coverage. By partnering with customers, we believe that it offer long-term growth prospects to the Company and keep our customers satisfied.

Our scale and breadth of products allow us to better serve our customers and expand our customer base. We are now offer an even broader portfolio of products and expand into High Value Added (HVA) products. Our specialty range has enhanced the brand value of IVL and enables us to deliver differentiated solutions to our customers.

Customer satisfaction at IVL is measured via several methods. Increased and repeated orders are seen as reflecting the satisfaction of the customers. We also seek regular customer feedback through direct contact with customers and using customer satisfaction survey. The customer satisfaction surveys are regularly carried out to identify ways in which we can improve our products and services to further increase satisfaction.

Customer Engagement and Communications

Successful customer engagement helps strengthen relationships and build loyalty and trust with customers. Our approach to engaging customers focuses on proactive engagement and two-way communications. We communicate regularly with our customers through a variety of appropriate channels, in ways which meet customer preferences, such as direct contact through sales and marketing executives, meetings, conferences, email, website, publications and social media platforms. These methods will be reviewed regularly to maintain an effective line of communications with customers and adapted more advance communication technology where appropriate.

We respect the voice of the customer and respond promptly to all complaints, requests and inquiries. As part of our customer engagement process, complaints from customers are received by our sales representatives whose duty is to pass on reports to their supervisors and management team for further consideration, advice and most appropriate response. Management will then make a decision to solve the issue employing sort, medium and long term initiatives.

IVL values trustworthiness, honest and open communications. When communicating with customers, we aim to provide accurate, sufficient and useful information and keep our customers up-to-date with new development. In any communications, we aim not to mislead customers by providing false or exaggerated information.

Respect for Privacy

We consider the privacy of personal information of our customers, suppliers, business partners, and all stakeholders entrusted to us to be very important. We are committed to ensuring that personal information is protected through use of adequate controls governing its storage disclosure, and handling. The Company takes the necessary steps to secure the information and ensure it is used only for approved business purposes. Our communications to others are formulated in respect of right to information. Under no circumstances is the communication of false or biased information permitted. Business records must always be truthful and complete and financial records must reflect all components of the financial transactions.

Key Initiatives in 2014

Collaboration on Sustainability Initiatives

We work with customers to develop products and services that promote sustainability in areas such as Coca-Cola's PlantBottle[®], which use bio MEG.

Customer Code of Conduct

To ensure effective sustainability throughout our supply chain, we extend good practices not only to our reliable suppliers but also to our valued customers. We continue to develop a customer code of conduct and implement the code with key customers. We view the code as a mutual collaboration of our intention as business partners to commit ourselves to the high level of business conduct.

Key Initiatives in 2014

Online Customer Satisfaction Survey

We put emphasis on a customer satisfaction survey program. Electronics and online channels were established for our customers to raise their voices over our products and services. To this end, it enhances the performance of our brand and strengthens customer relationships with an information-based approach.

Product Life Cycle Assessment (LCA)

All businesses will have ongoing life cycle assessment (LCA) projects and planning across all product categories in the future.

Expansion of Recycled Products and increasing the use of post-consumer recycled content

Grow recycled product volumes from Mexican operations and start-up of recycling plant in Thailand in 2014.

Entering into Turkey

We took the decision to support our major customers by entering into the fastest emerging market in Europe and OECD. This strategy has reinforced our position as the preferred supplier to the beverage industry.

Environment Dimension

5. Operational Efficiency

We have emphasized energy efficiency since the early days of the Company and continue our efforts on reducing energy used in our operations. Energy consumption is measured at all our operations to identify potential improvement and benchmarked among the sites to achieve maximum efficiency. All manufacturing sites are required to report their environmental performance indicators annually according to Global Reporting Initiatives (GRI) guideline.

In addition to equipment upgrade, we utilize the best available technologies and improve our existing plants to increase process efficiency and bring down energy consumption and greenhouse gases generated. Regularly scheduled maintenance is carried out to keep plants run efficiently and maintains optimal performance. We continue to look for methods of reducing our energy consumption including utilizing more sustainable and renewable energy sources such as wind and solar power.

We strictly control water demand and supply across all processes and operations to improve water utilization and eliminate water waste. At the same time, we incorporate waste reduction principles into our daily operations and encourage reuse and recycle materials in our production.

Data and trends are tracked and analyzed with continuous improvement goals to reduce total energy consumed, greenhouse gases generated, water usage and waste.

Responsible use of raw materials

We are working continually to make the most of raw materials. Many R&D activities at IVL are focused on improving resource and material efficiency, for example lightweight design, fibers made from renewable plant compounds and post-consumer recycled content.

Key Initiatives in 2014

Roof Solar Project

Commissioning of 1 MW Roof solar project at Indorama Holdings Lopburi, Thailand in April 2014. This is the first biggest roof solar project in Thailand.

Installation of another roof top solar farm projects with capacity of 1.1 MW is in process and is expected to be completed in Q1 2015.

Operational Excellence Projects

At Indorama Ventures Indonesia, we have reduced energy consumption by 1.7 MW while in Poland our collaboration on crystal cut technology with technology partners on PET manufacturing has resulted in energy use reduction of 30-35% compared with conventional technology. In Thailand, Indorama Polyester Industries in Rayong has reduced its HTM heaters by half to save energy, implemented an inverter for lower energy use and stopped a catalyst storage vessel agitator for greater energy saving.

6. Environmental Compliance

Environmental compliance provides numerous benefits, ranging from lower production costs to enhance company's images by avoiding penalties and helps us to be more competitive in a global business environment.

Our worldwide operations are conducted in compliance with all relevant environmental laws and regulations. We aim to fully meet environmental obligations but also go beyond statutory requirements to meet internationally accepted best practice.

All subsidiaries are required to report on environmental compliance and concerns on potential environmental compliance issues to the Sustainability Committee. The Sustainability Committee will monitor compliance with legal requirements and internal targets.

We applied environmental management systems such as ISO 14001 to manage and continuously improve our environmental performance. Almost all of our production sites have a verified environmental management system in place. We aim that all of our production sites will have an environmental management system certification, including new operations and acquisitions.

Social Dimension

7. Health and Safety

As a responsible manufacturer, we strive to create a healthy and safe working environment for our employees and adhere to all applicable health and safety laws and regulations. We integrate occupational health and safety into all aspects of the business as part of our risk management and internal control systems. We also aim to continue improve our health and safety performance in line with our long-term goal of zero occupational injury and illness.

Health and Safety Policy and Governance Structure

To ensure the working environment at IVL is safe at all times and for every employee, we build and promote a culture of safety and accountability. IVL has a Hygiene and Safety Policy at the Group level to govern all the health and safety related activities. Each site has assigned a designate person to be the Site Hygiene and Safety Officer (SHSO). The SHSO will examine the implementation and audit of Safety Directives on a regular basis and oversee control of contractors in respect to hygiene and safety. Each site will conduct an in-depth analysis of severe accidents. The Site Head will ensure that all employees have access to the Hygiene and Safety Policy. Employees are working toward achieving the goal of zero accident and injuries.

Health and Safety Training

Our factory employees receive ongoing health and safety training to ensure that they understand and follow safe work procedures. Inspection of equipment and review of work processes are performed on a regular basis to ensure it operates in a safe manner.

Health and Safety Risk Assessment

Health and safety risk assessments are in place at all sites to identify areas where operational procedures or other controls are required or should be reviewed annually or when there is a change in operation that could affect the risk profile such as the installation of new equipment.

Secure Operations

Not only employees who adhere to the requirements of health and safety, but also our contractors, sub-contractors, customers, visitors, adjacent facilities and community close to our operating sites. Some work at sites is carried out by a contractor. We require all our contractors and sub-contractors to meet strict health and safety requirements.

Key Initiatives in 2014

Achieve zero incidents

In 2014, TPT Petrochemicals in Thailand achieved 1 million man hours without LTI for the first time in 7 years. PT Indorama Ventures Indonesia has achieved the target of 2 million man hours of zero accidents.

Key Initiatives in 2014

Behavior-based Observation Program

Celanese has begun the 'Behavioral Based Observation Program' in 2014 at the Clear Lake Site to reduce behavior based injuries. A program, based on the DuPont STOP program was adapted, modified, and implemented. Though the program is voluntary, each employee of the site is asked to perform 2 Behavioral Based observations per month. Data is published once per month on the top actions that were observed to be At Risk. The program encourages one-on-one contact with observer and task performer. The company continues to strive for 100% participation. 2015 will focus on program improvements and effectiveness, including improved dialogue, partnered observations, more thorough analysis of data and action plans for improvement.

Workplace Health Promotion

Ongoing wellbeing programs include annual health checkup, employee sports day, sports club, health awareness and education programs.

8. Human Resources

"People First" is one of IVL's values. We believe that our people make us different and play a key role in driving business growth. That is why we are committed to developing our people to build their capabilities and skills to meet their needs and our business.

As a global company, our employee base includes a broad range of functions and roles, from manufacturing and maintenance experts to new product designers and plant workers, from specialists in marketing, sales, logistics to finance and accounts. We strive to create an inclusive culture in which difference is recognized and valued.

Recruitment and Talent Attraction

Our future growth and expansions pose a significant challenge to attracting and recruiting talent. To deliver the business strategy and achieve sustainable business growth, we focus on attracting, developing and retaining a talented global workforce and aim to be the company of choice for top talent.

We provide people the opportunity to develop their careers via talent management programs. Our talent strategy focuses on critical assignment planning, manager accountability for coaching and mentoring and team learning. We also focus on ensuring that suitable employees are identified and developed to fill each key role within the Company as part of a succession plan.

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To attract highly qualified candidates, we have partnered with Industrial Training Institutes, Engineering and Management Institutes and universities. We also engage graduates through job fairs and career days to identify diverse candidates.

Compensations and Benefits

We offer competitive compensation and benefit in every country we operate. Our compensation is aligned with the market, functional areas and skill levels. We have devised a performance-linked incentive that link business segment performance at individual level to create a sense of ownership of the business. Our compensation structures are designed to attract and retain the best people and benchmarked regularly against industry standard to ensure we remain competitive.

Training and Development

Talent development is at the heart of building human capital at IVL. Our training and development programs help to build capabilities and skills to meet our future requirements.

According to different training requirement, IVL formulates individualized training programs and courses tailored to their needs and building on their strengths. We offer a variety of classes embracing development from technical to behavioral, from organizational to individual level and on-the-job training to an e-learning platform.

With the Performance Management System (PMS), we identify employees who are high on performance and competence. This is an opportunity for employees to get feedback on their performance. Employees work with their line managers to identify career advancement and the skills they might need. They are given opportunities for exposure to other units of IVL within or outside the country for short intervals initially and then they are transferred to those units. These transfers are the part of career path which makes them grow their knowledge and skills and in turn move up to the next level of the hierarchy.

Diversity and Equal Opportunity

We value each individual's unique perspective and provide equal opportunities for all employees regardless of race, color, religion, gender, age, national origin or disability. All employees can expect a workplace free from harassment and discrimination. We have a Human Rights Policy in place to set out our principles and express our commitment to respecting human rights throughout all our business operations. This policy follows the principles laid down in the Universal Declaration of Human Rights and its two covenants, The International Covenant on Civil and Political Rights and The International Covenant on Economic, Social and Cultural Rights. All employees at all levels are required to comply with our Human Rights Policy.

Key Initiatives in 2014

Internal Sustainability Workshop

We conducted internal workshop for IVL's senior executives who are involved in sustainability initiatives to raise awareness of sustainability internally and provide on-going coaching and consultation on sustainability implementation projects and processes.

Employee Induction Manual

The Company introduced an Employee Induction Manual and Campus Connect program with local universities. The same was implemented by having two Campus Connect programs in 2014, which helped IVL in employer branding and resulted in attracting some candidates for employment.

10.3 Business Operations that may have impacted on CSR

Please see legal disputes in section 5. Legal Disputes, Part 1- Business Operation.

10.4 CSR after Process

Indorama Ventures has been involved in various ranges of activities to promote communities' social well-being and economic growth.

Education Programs

We have initiated education programs in our local communities to undertake capacity-building among residents. For example, a workshop teaching how to weave plastic baskets for people in the nearby community, 'English Training with Indorama Ventures' program, which aimed at strengthening English communication skills of students in primary education in the nearby community.

Health and Wellbeing Programs

We have also worked with local organizations to help raise awareness of health issues. For example, provide support to the Mexican Institute of Social Security during the vaccination week, raise money by cooking to support The March of Dimes for research aiming to prevent birth defects, premature births, and infant mortality.

As part of our ongoing community engagement, we conduct open house sessions and community meetings to draw participants from different parts of community to exchange information face-to-face, share mutual stories and experiences, clarify viewpoints, and develop solutions to community concerns.

10.5 Anti-corruption

(1) Anti-corruption Policy

Indorama Ventures is committed to conducting its global business honestly, fairly, without corruption or acts of bribery and with accountability and embraces the values of being an anti-corruption-driven organization, therefore this is one of our key commitments to foster the ethics needed to counter

corruption in our culture. For this reason, Indorama Ventures participated in the Thailand Private Sector Collective Action Coalition Against Corruption (CAC) and undertook the CAC certification process, to which the company became a signatory in 2013, to demonstrate our firm commitment against anti-corruption and bribery. Our anti-corruption momentum continued its applicability to all subsidiaries and affiliates as the Company issued an anti-corruption policy as part of the company's corporate governance policies in January 2014, to ensure that the company and its subsidiaries have the appropriate systems and procedures to prevent bribery and corruption. As part of the continuation of our anti-corruption compliance program, Indorama Ventures employees shall be informed about Anti-corruption and Whistleblower policies from the beginning of their employment through a corporate governance policy handbook and an orientation. To ensure that these two policies are well communicated to our employees, the company started conducting anti-corruption training courses in July 2014. With our effort and outstanding commitment to anti-corruption practices, Indorama Ventures received CAC certification in October 2014.

The Company explicitly prohibits bribery in any form, directly or indirectly, including making, promising, offering, or authorizing a payment or a gift to an agent, business partner, government official, political party or any other third party for the purpose of corrupting the recipient into performing an improper exercise of functions, duties or judgments and vice versa. The policies and practices are annually reviewed to keep it current with the requirement of good business practice and ensure the effective implementation.

(2) Performance

The Company has set up policies and practices that guide us to conduct our business in an honorable manner, mindful of the long-term effects on the company of everything we do. Commencing at the top, directors adopt a Code of Conduct for Directors, which provides guidelines aimed at maintaining high ethical standards, corporate behavior and accountability within the Company. The Board of Directors is responsible for the effective design, implementation and operation of the anti-corruption policy. The management shall be responsible for ensuring effective systems are in place to prevent corruption in any form and the Internal Audit Department shall monitor the systems periodically and report to the Audit Committee. We also are currently expanding anti-corruption practices as part of supply chain implementation through a supplier code of conduct.

The risk of bribery and corruption will be reviewed by the Audit Committee who shall carry out an annual internal review of the anti-corruption policy to ensure its effectiveness and make recommendations to the Board for revisions to the policy if required.

Indorama Ventures has in place internal controls to ensure the continued reliability and accuracy of financial information and systems across all its subsidiaries and affiliates globally. The Board of Directors has assigned the Audit Committee to supervise the financial reporting process of the Company and its subsidiaries in accordance with generally accepted and consistently applied accounting standards and in line with the rules and regulations of the Thai Securities and Exchange

Commission (SEC) and the Stock Exchange of Thailand (SET) as well as relevant legislations. The Company has in-house Internal Audit Department reporting directly to the Audit Committee. The Internal Audit Department is responsible for reviewing the adequacy of internal control systems on a global basis for the Company.

The Company and its subsidiaries and affiliates prepare and maintain records accurately in accordance with Thai GAAP, IFRS and other applicable standards. The units have in place their respective delegation and financial authorities which clearly classifies the type of approvals and payments as well as the level of authorization.

The Company's quarterly consolidated financial statements are reviewed and approved by the Audit Committee in their quarterly meeting along with the auditors. The Audit Committee also reviews the annual audited financial statements and recommends to the Board for their consideration and approval. The Internal Audit Department reviews the internal control system throughout the various business processes across subsidiaries globally in accordance with the annual Internal Audit plan approved by the Audit Committee.

The company commenced conducting anti-corruption training in July 2014. The aim is to provide employees with straightforward communication regarding our firm's zero tolerance of corruption, as well as to address practical guidelines and specific forms of corrupt activities that may arise in the course of the company operations. The training was conducted at the Head Office and Thai sites, and separately run in Thai and English languages to accommodate all of our employees. Over 300 employees have been covered by our training courses. Of that, 55% of participants are the management personnel. Educational materials were distributed to participants during training.

The program was considered successful as the post-class survey showed an increased understanding of the company's anti-corruption and whistleblower policies compared with the pre-class survey, rating at 55% and 23% for high and very high better understanding compared to 19% and 7% before the class respectively.

As part of our continuous global campaign, anti-corruption training video and brochure were disseminated to overseas units to ensure that our policies are communicated, and the same standard practice made available worldwide.

11. Internal Control and Risk Management

The Board of Directors of IVL has assigned Audit Committee of IVL to review the financial reporting process of the Company and its subsidiaries in accordance with generally accepted and consistently applied accounting standards and in line with the rules and regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) as well as concerned legislations. The responsibilities of Audit Committee also includes reviewing the Company performance in compliance with corporate governance principles, maintaining suitable, effective, and well-recognized internal control and audit systems, selection and recommendation of external auditors, and any other tasks as designated by the Board of Directors.

The Company has in-house Internal Audit Department reporting directly to the Audit Committee. The Internal Audit Department is responsible for reviewing the adequacy of internal control systems for IVL and its all subsidiaries. The Internal Audit Department reports its findings and recommendations to the Management and the Audit Committee. The Audit Committee periodically reviews the internal audit findings with the Internal Audit Department. The objective of internal control reviews is to ensure that there exist effective systems of internal controls which provide reasonable assurance regarding achievement of Company's objectives.

The Board of Directors of the Company in the Meeting No. 2/2015 held on 20 February 2015 which was attended by all members of the Audit Committee, after considering the recommendation of the Audit Committee, has evaluated the opinion for the internal control systems of the Company and its subsidiaries for the year 2014 and found the internal control systems satisfactory. Below is a summary of Committee's view classified by internal control components:

Control Environment

IVL prepares its one-year and five-year business plan which is approved by the Board of Directors of the company. This forms the basis of employee goals and objectives at all the operating units and the steps to be followed in achieving the Company's objectives. The Company's objective are reviewed from time to time. The Company has a well-structured organization in place which indicates the individual's responsibility for key businesses and other functions. All employees have been provided the IVL Policies Handbook which contains all policies that sufficiently improve the control environment. IVL has detailed Code of Conduct for its Directors, executives and employees. The Code of Conduct of the Company has been announced to all the employees of the Company and is signed off by them. The Company has the Policy on Internal Information Control and Usage of Inside Information to regulate all employees in keeping confidential on company's information and shall not disclose the confidential information with the aim to seek benefit for oneself or other persons. Further, the Anti-Corruption Policy has been implemented in 2014 since the Company is committed to conduct its global business honestly, fairly, without corruption or act of bribery and with accountability. Such policies are also published on the website of Indorama Ventures Public Company Limited.

Risk Assessment

IVL has Enterprise Risk Management Committee. There is an effective process to identify and manage business risks. The Company's Risk Management process cover assessment and review of internal and external factors which may potential affect the company's operations. Respective Business Heads who are also member of Risk Management Committee closely monitor key business risks and adequate preventive measures/ controls are taken for risk mitigation. All significant risks identified are recorded in the risk management report of Business Core Committee and other sub-committees at plant level. The risk management report together with risk mitigation plan is reviewed quarterly by the Business Core Committees and sub-committees. The Risk Management Committee also reviews the sensitivity analysis of business plan, Greenfield and M&A projects.

Control Activities

All operating units of IVL have policies and procedures in writing with regard to general management, procurement, sales and marketing and financial activities for all its units. This, together with the financial authority manual ensures that adequate controls and checks are exercised by the management to operate efficiently and to mitigate the risk of frauds or misappropriations. There is an adequate segregation of duties in respect of authorization, recording and custody of assets at all units.

There is an internal policy on connected transactions which very clearly stipulates what is a connected transaction, who is a connected/related party and the procedure to be followed in case the Company enters into a connected transaction. All connected transactions have to follow the rules and regulations of the SEC/SET. As per the Regulations of the SEC/SET, depending on the size of the transaction, a new connected transaction is reviewed by the Audit Committee and recommended to the Board for their approval. Every quarter, a statement of all connected transaction is submitted to the Audit Committee and the Board. All subsidiaries and associates of IVL have common directors who regularly monitor the operations of the subsidiaries and ensure that they are in line with the overall objectives of IVL. The IVL Board is briefed regularly on the performance of the subsidiaries. Minutes of subsidiary units are provided at each quarterly meeting of the Board.

Compliance confirmation is obtained from the respective Plant Head confirming or informing the status of the compliance with all applicable laws and regulations, statutory filings and is reported to the Audit Committee on a quarterly basis and to the Board on need basis.

Information and Communication

The Company/ management ensure adequate and sufficient information is provided to the Board for their review and consideration. The minutes of the meeting of Board of Directors are prepared by the Company Secretary. The minutes cover all aspects of discussion held during the Board meeting. The minutes of the meeting are reviewed by all directors and signed off by the Chairman of the Meeting.

The Company Secretary and Audit Committee Secretary fulfil any requirement / information / provide assistance to the Directors as per their request. The Company has Whistle Blower Policy which provides a channel to employees to lodge any anonymous complaint. The Website of the Company provides various communication channels for external parties e.g. Company Secretary, Investor Relations, HR Department etc. The Legal & Secretarial Department of the Company is authorized to communicate with the regulators. Website of the Company provides a channel of communication to external parties who can contact directly with independent directors by sending an email at independentdirectors@indorama.net

Monitoring

Annual operational and performance budget of IVL and its subsidiaries are reviewed and approved by the Board of Directors. The Company's quarterly consolidated financial statements are reviewed and approved by the Audit Committee. Further, the Audit Committee reviews the annual audited financial statements and recommends to the Board for their consideration and approval. The Company's Internal Audit Department reviews the internal control system throughout the various business processes across subsidiaries as per the annual Internal Audit Plan approved by the Audit Committee. Moreover at each quarterly meeting, the Audit Committee also reviews management letter from external auditors for all the units. The Audit Committee approves the Annual Internal Audit Plan prepared by the Internal Audit Department. The Audit Committee reviews the activities of the Internal Audit Department on half yearly basis.

Head of Internal Audit and Head of Compliance

1. Head of Internal Audit

The Company has its own Internal Audit Department, Internal Audit Manual and Internal Audit Charter. The Audit Committee has the authority to approve the appointment, transfer and dismissal of the Head of Internal Audit. The Audit Committee has appointed Mr. Anil Kumar Ailani as the department head. The Internal Audit Department is entrusted to carry out internal audit activities of the Company and its subsidiaries under the supervision of the Head of Internal Audit. The Internal Audit Department reports functionally to the Audit Committee.

2. Head of Compliance

The Company has appointed the Company Secretary, Mr. Souvik Roy Chowdhury as the Head of Compliance in order to review and evaluate the various statutory and legal compliances for all IVL units and to ensure that they are in accordance with the applicable rules and regulations and company policies.

12. Connected Transaction

The connected transactions occur in the normal course of business and the pricing is akin to market prices or at arm's length basis that would normally be charged to/by any other customers/suppliers with comparable and reasonable terms and conditions. The following is a summary of such transactions as at 31 December 2014:

Connected Party & Relationship	Type of transaction	(Amount in MB)	
		2014	2013
Indo Rama Synthetics (India) Ltd. Mr. Om Prakash Lohia, a major shareholder of Indo Rama Synthetics (India) Ltd., is a blood brother of Mr. Sri Prakash Lohia and Mr. Alope Lohia	Sale of raw materials/products	4,279.57	4,632.76
PT. Indorama Synthetics Tbk. Mr. Sri Prakash Lohia is a major shareholder of PT. Indorama Synthetics Tbk	Sale of raw materials/products/ rendering of services	1,223.39	1,566.09
	Purchase of raw materials/products/ services	427.04	256.73
PT. Indorama Petrochemicals Jointly controlled company (IVL indirectly holds 43% of the shares) and Mr. Sri Prakash Lohia is a major shareholder of PT. Indorama Petrochemicals	Sale of raw materials/products/ rendering of services	17.92	352.35
	Purchase of raw materials/products/ services	9,745.91	1,999.19
Indorama Eleme Petrochemicals Ltd. Mr. Sri Prakash Lohia is a major shareholder of Indorama Eleme Petrochemicals Ltd.	Purchase of raw materials/products/ services	24.65	17.51
Pacific Resources Ltd. Mr. Anuj Lohia, a son of Mr. Alope Lohia, is the major shareholder of Pacific Resources Ltd.	Service expense (Office Lease)	6.69	5.24
Cryoviva (Thailand) Ltd. Mr. Alope Lohia is a director of Cryoviva (Thailand) Ltd.	Service income (Office Lease)	2.20	2.19
PT. Irama Unggul Mr. Sri Prakash Lohia family is a major shareholder of PT. Irama Unggul	Service expense (Office Lease)	1.19	1.29
Lohia Global Holdings Limited Mr. Mohan Lal Lohia, a major shareholder of Lohia Global Holdings Limited, is a father of Mr. Sri Prakash Lohia and Mr. Alope Lohia	Service expense (Royalty Fee – Indorama Wordmark)	100.84	94.14

Connected Party & Relationship	Type of transaction	(Amount in MB)	
		2014	2013
Vega Aviation Limited Mr. Sri Prakash Lohia and Mr. Alope Lohia are the major shareholders of Vega Aviation Ltd.	Service expense (Aircraft Lease)	81.20	76.82
Indorama Commerce DMCC Mr. Sri Prakash Lohia is a major shareholder of Indorama Commerce DMCC	Service expense (Man Power)	7.93	6.05

The Audit Committee Opinion on the Connected Transaction

The above connected transactions have been considered and opined by the Company's Audit Committee that the aforesaid connected transactions are reasonable and undertaken in the interest of the Company's business. While entering into these transactions, the Committee considers the best interest of the Company. No additional benefit has been transferred between the Company and the persons who have the conflict of interest.

Policy and Procedure to Approve the Connected Transaction

In the event that the Company carries out its business with the connected persons who may have a conflict of interest with the Company, the Audit Committee will express its opinion regarding the necessity of such transactions. The Audit Committee will ensure that terms and conditions of these transactions are consistent with market practice and prices charged for these transactions are evaluated and compared with market prices. In the event that market price is not available, the Audit Committee must ensure that these prices are reasonable and the transactions are carried out in the best interest of the Company. If the Audit Committee is unable to evaluate connected transactions due to lack of expertise in certain areas, the Company will arrange an independent expert to evaluate and give opinion on such transactions. The Board of Directors or Audit Committee or the Company shareholders, as the case may be, will use this opinion from the independent expert as a supplement to form their own conclusion. Those directors who may have conflict of interest with the Company are prohibited from either voting or attending the meeting on matters regarding to the said connected transactions and disclose in Annual Report and Annual Registration Statement (Form 56-1).

Policy on the Entering into a New Connected Transaction

For any new connected transaction, the respective unit would need to contact the Secretary of the Audit Committee and inform about the proposed transaction, its rationale, value of transaction, pricing, terms and conditions in order for the Secretary of the Audit Committee to classify under which category of connected transaction it would fall into and to get necessary approval from the Management/Audit Committee/ Board/Shareholders as required. Moreover, the Company will ensure that such transactions are carried out in compliance with the SEC Act, Rules, Notifications and Regulations of the Capital Market Supervisory Board, SEC and SET. In addition, the Company must

also comply with the disclosure rules related to connected transactions and the Company's policy. All connected transactions are reviewed and confirmed by the Internal Audit department.