

Part 2

Management and Corporate Governance

7. Securities Information and Shareholders

7.1 Securities of the Company

As of 31st December 2019, Indorama Ventures Public Company Limited (the “Company”) 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 5,614,551,908 divided into 5,614,551,908 ordinary shares with the par value of Baht 1 per share.

7.2 Shareholders

1) Major Shareholders of IVL (as of December 30, 2019)¹

a) Top Ten Major Shareholders

No.	Shareholders	No. of Shares	%
1.	Indorama Resources Ltd. ²	3,504,991,318	62.427
2.	Thai NVDR Ltd.	300,970,448	5.361
3.	Bangkok Bank Public Company Limited	270,905,264	4.825
4.	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	104,317,298	1.858
5.	State Street Europe Limited	84,118,500	1.498
6.	CREDIT SUISSE AG, SINGAPORE BRANCH	75,297,500	1.341
7.	Canopus International Limited ²	55,000,000	0.980
8.	SOCIAL SECURITY OFFICE	44,975,100	0.801
9.	PROVIDENT FUND OF ELECTRICITY GENERATING AUTHORITY STAFFS	24,198,800	0.431
10.	VAYU 1 BY MFC	22,215,100	0.396
	VAYU 1 BY KTB	22,215,100	0.396

Remarks: ¹ The Company Secretary has updated the list of major shareholders of the Company to Board of Directors and senior managements every quarter.

² Group of Lohia Family

	No. of Shares	%
- Indorama Resources Ltd.*	3,504,991,318	62.43
- Canopus International Limited**	130,000,000***	2.32
- Mr. Alope Lohia****	1,000,010	0.02
- Mr. Anuj Lohia	10	0.00

* Owned by Canopus International Limited 99.98%

** Mr. Alope Lohia and his immediate family jointly hold voting rights of 76% and an equity interest of 50% in Canopus, while the remaining voting rights of 24% and 50% of the equity interest of Canopus are ultimately controlled by a Trust in which Mr. Sri Prakash Lohia and his immediate family members are the discretionary beneficiaries.

*** 75,000,000 shares out of 130,000,000 shares are in the custodian of CREDIT SUISSE AG, SINGAPORE BRANCH.

**** Mr. Alope Lohia's shareholding in the Company, through his family holding in Canopus International Limited, is more than 25 times of his annual base salary.

- 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 holding IVL's shares at 64.75 percent

- c) *The ultimate shareholders of the Company*

Indorama Resources Limited* holds 62.43 percent and Canopus International Limited** holds 2.32 percent in the Company's shares respectively.

Remarks: * Owned by Canopus International Limited 99.98%

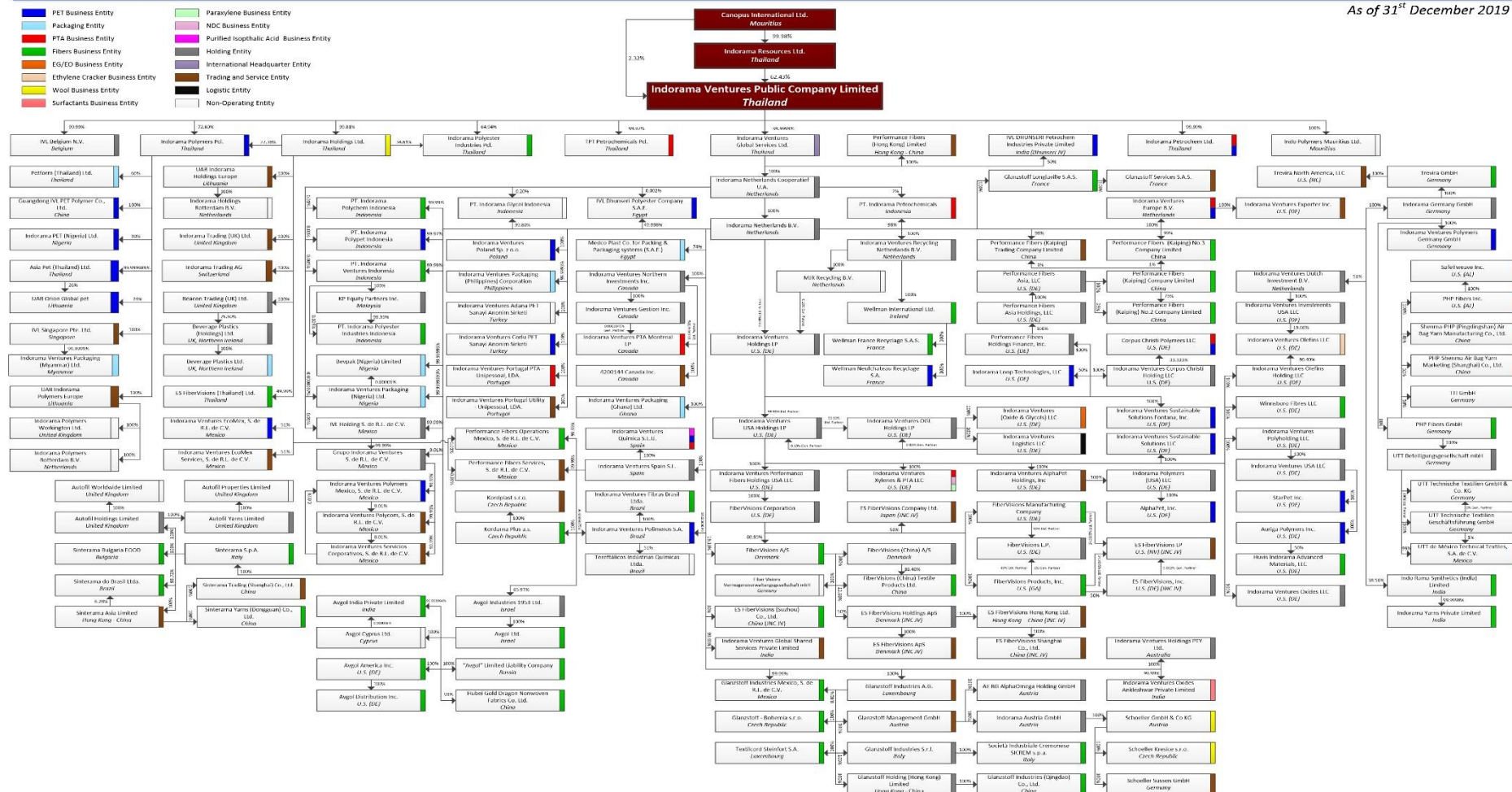
** Mr. Alope Lohia and his immediate family have voting rights of up to 76% and an equity interest of up to 50% in Canopus International Limited while the remaining voting rights of 24% and 50% of equity interest is effectively controlled and held for the benefit of Mr. Sri Prakash Lohia and his immediate family.

2) Shareholders' Information of Core Business Subsidiaries

IVL Group Corporate Structure

As of 31st December 2019

- PET Business Entity
- Packaging Entity
- PTA Business Entity
- Fibers Business Entity
- EG/EO Business Entity
- Ethylene Cracker Business Entity
- Wool Business Entity
- Surfactants Business Entity
- Paraxylene Business Entity
- NDC Business Entity
- Purified Isophthalic Acid Business Entity
- Holding Entity
- International Headquarter Entity
- Trading and Service Entity
- Logistic Entity
- Non-Operating Entity



3) Shareholders' Agreement

- None -

7.3 Debenture

7.3.1 Debentures of Indorama Ventures Public Company Limited

The extraordinary general meeting of shareholders held on 22nd September 2011, the annual general meeting of shareholders held on 29th April 2013, the annual general meeting of shareholders held on 24th April 2015 and the annual general meeting of shareholders held on 24th April 2019, approved the issue of debentures totally not exceeding Baht 150,000 million.

During 2019, the Company had redeemed unsubordinated and unsecured debentures on maturity date on 14th March 2019 and 5th April 2019 in the amount of Baht 800 million and Baht 1,500 million, respectively.

In addition, the Company has exercised its call option to early redeem all of the Subordinated Perpetual Debentures issued in 2014. The aggregate early redemption amount of such debentures was Baht 15,000 million and was fully repaid on 31st October 2019. And the Company has issued and offered new Subordinated Perpetual Debentures on 8th November 2019 in the amount of Baht 15,000 million.

As at 31st December 2019, the Company had outstanding unsubordinated and unsecured debentures totalling Baht 48,870 million and the subordinated perpetual debentures totalling Baht 15,000 million as follows:

Debentures issued on 19th October 2011:

Symbol	Name of Debenture	Amount (MB)	Interest Rate per year	Term of Issue	Maturity Date
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
IVL21OB	Debentures of INDORAMA VENTURES No. 1/2011 Tranche 6	3,163	5.35%	10 years	19 October 2021
Total		3,200			

Debentures issued on 5th April 2012:

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
IVL224B	Debentures of INDORAMA VENTURES No. 1/2012 Tranche 5	2,649.50	5.52%	10 years	5 April 2022
Total		3,900			

Debentures issued on 14th December 2012:

Symbol	Name of Debenture	Amount (MB)	Interest Rate per year	Term of Issue	Maturity Date
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		4,000			

Debentures issued on 27th June 2013:

Symbol	Name of Debenture	Amount (MB)	Interest Rate per year	Term of Issue	Maturity Date
IVL206A	Debentures of INDORAMA VENTURES No. 1/2013 Tranche 2	520	4.70%	7 years	27 June 2020
IVL236A	Debentures of INDORAMA VENTURES No. 1/2013 Tranche 3	1,100	5.10%	10 years	27 June 2023
Total		1,620			

Debentures issued on 14th March 2014:

Symbol	Name of Debenture	Amount (MB)	Interest Rate per year	Term of Issue	Maturity Date
IVL243A	Debentures of INDORAMA VENTURES No. 1/2014 Tranche 3	1,400	5.30%	10 years	14 March 2024
Total		1,400			

Debentures issued on 13th October 2015:

Symbol	Name of Debenture	Amount (MB)	Interest Rate per year	Term of Issue	Maturity Date
IVL22OA	Debentures of INDORAMA VENTURES No. 1/2015 Tranche 1	500	4.00%	7 years	13 October 2022
IVL25OA	Debentures of INDORAMA VENTURES No. 1/2015 Tranche 2	1,100	4.20%	10 years	13 October 2025
Total		1,600			

Debentures issued on 9th December 2015:

Symbol	Name of Debenture	Amount (MB)	Interest Rate per year	Term of Issue	Maturity Date
IVL25DA	Debentures of INDORAMA VENTURES No. 2/2015	1,150	3.92%	10 years	9 December 2025
Total		1,150			

Debentures issued on 20th October 2016:

Symbol	Name of Debenture	Amount (MB)	Interest Rate per year	Term of Issue	Maturity Date
IVL21OC	Debentures of INDORAMA VENTURES No. 1/2016 Tranche 1	300	2.88%	5 years	20 October 2021
IVL26OA	Debentures of INDORAMA VENTURES No. 1/2016 Tranche 2	200	3.68%	10 years	20 October 2026
IVL28OA	Debentures of INDORAMA VENTURES No. 1/2016 Tranche 3 *	2,200	4.10%	12 years	20 October 2028
IVL31OA	Debentures of INDORAMA VENTURES No. 1/2016 Tranche 4 *	2,300	4.39%	15 years	20 October 2031
Total		5,000			

*Note * The issuer has rights of early redemption*

Debentures issued on 4th May 2017:

Symbol	Name of Debenture	Amount (MB)	Interest Rate per year	Term of Issue	Maturity Date
IVL205A	Debentures of INDORAMA VENTURES No. 1/2017 Tranche 1	2,000	2.60%	3 years	4 May 2020
IVL225A	Debentures of INDORAMA VENTURES No. 1/2017 Tranche 2	500	3.24%	5 years	4 May 2022
IVL245A	Debentures of INDORAMA VENTURES No. 1/2017 Tranche 3	1,000	3.75%	7 years	4 May 2024
IVL275A	Debentures of INDORAMA VENTURES No. 1/2017 Tranche 4	2,000	4.11%	10 years	4 May 2027
IVL295A	Debentures of INDORAMA VENTURES No. 1/2017 Tranche 5	2,000	4.28%	12 years	4 May 2029
Total		7,500			

Debentures issued on 16th November 2017:

Symbol	Name of Debenture	Amount (MB)	Interest Rate per year	Term of Issue	Maturity Date
IVL24NA	Debentures of INDORAMA VENTURES No. 2/2017 Tranche 1	300	2.92%	7 years	16 November 2024
IVL27NA	Debentures of INDORAMA VENTURES No. 2/2017 Tranche 2	700	3.46%	10 years	16 November 2027
IVL32NA	Debentures of INDORAMA VENTURES No. 2/2017 Tranche 3	1,000	3.90%	15 years	16 November 2032
Total		2,000			

Debentures issued on 8th June 2018:

Symbol	Name of Debenture	Amount (MB)	Interest Rate per year	Term of Issue	Maturity Date
IVL216A	Debentures of INDORAMA VENTURES No. 1/2018 Tranche 1	3,000	2.31%	3 years	8 June 2021
IVL236B	Debentures of INDORAMA VENTURES No. 1/2018 Tranche 2	3,000	2.78%	5 years	8 June 2023
IVL256A	Debentures of INDORAMA VENTURES No. 1/2018 Tranche 3	1,500	3.18%	7 years	8 June 2025
IVL286A	Debentures of INDORAMA VENTURES No. 1/2018 Tranche 4	1,800	3.83%	10 years	8 June 2028
IVL306A	Debentures of INDORAMA VENTURES No. 1/2018 Tranche 5	5,000	4.12%	12 years	8 June 2030
IVL336A	Debentures of INDORAMA VENTURES No. 1/2018 Tranche 6	3,200	4.27%	15 years	8 June 2033
Total		17,500			

Debentures issued on 8th November 2019:

Symbol	Name of Debenture	Amount (MB)	Interest Rate per year	Term of Issue	Maturity Date
IVL19PA	Subordinated Perpetual Debentures of Indorama Ventures Public Company Limited No. 1/2019	15,000	5.00%	Perpetual	Redemption Upon Liquidation
Total		15,000			

Use of proceeds for the issuance of Subordinated Perpetual Debenture No. 1/2019

Objectives for the use of proceeds	Amount (THB million)	Estimated time utilizing the proceeds	Details
Repayment of loans or debt from issuance of debenture	15,000	November 2019	The Company will use the funding from new debenture issuance to repay the existing debenture "Subordinated Perpetual Debentures of Indorama Ventures Public Company Limited No. 1/2557 Payable Upon Dissolution with the Issuer's Right to Early Redemption and Unconditional Interest Deferral" (IVL14PA) ("Existing Debentures"), as the Company has right to redeem all debenture on the day of fifth anniversary of the issue date (31 October 2019). In order that, the Company will use its working capital to redeem the existing debenture on the date of redemption.

7.3.2 Debentures of IVL Singapore PTE Limited

The resolution of IVL Singapore PTE Limited, an indirect subsidiary of the Company, held on 25th August 2015 approved the issuance of debentures up to an amount not exceeding USD 140 million equivalents in Singapore dollars.

On 7th October 2015, IVL Singapore PTE Limited issued the Senior Unsecured Debenture of SGD 195 million (equivalent to USD 138 million) to institutional investors in Singapore. The debenture is guaranteed by Credit Guarantee & Investment Facility, a trust fund of the Asian Development Bank and listed on the SGX-ST.

Debenture issued on 7 October 2015:

No.	Amount (M SGD)	Interest Rate per year	Term of Issue	Maturity Date
1/2015	195	3.73%	10 Years	7 October 2025
Total	195			

7.3.3 Debentures of Avgol Industries 1953 Ltd. ("Avgol")

As at 31 December 2019, Avgol, an indirect subsidiary of IVL, had outstanding unsecured debentures totalling USD 197.9 million, as follows:

No.	Amount (M USD)	Interest Rate per year	Term of Issue	Maturity Date
1/2014-C	144.0	4.75%	10 Years	31 December 2024
1/2017-D	53.9	3.90%	8 Years	31 December 2025
Total	197.9			

On 14 August 2014, Avgol issued the Unsecured Debenture series C of USD 144.0 million to the public.

On 28 March 2017, Avgol issued the Unsecured Debenture series D of USD 53.9 million to the public.

7.3.4 Debentures of Indorama Ventures Global Services Limited (“IVGSL”)

The resolution of IVGSL held on 27 June 2019 approved the issuance of debentures up to an amount not exceeding USD 600 million (or its equivalent in any other currency).

On 12 September 2019, IVGSL issued senior unsecured bonds to foreign institutional investors for the total amount of USD 300.0 million. The debenture is guaranteed by the Company.

Debenture issued on 12 September 2019:

No.	Amount (M USD)	Interest Rate per year	Term of Issue	Maturity Date
1/2019	300	4.375%	5 Years	12 September 2024
Total	300			

7.4 Dividend Policy

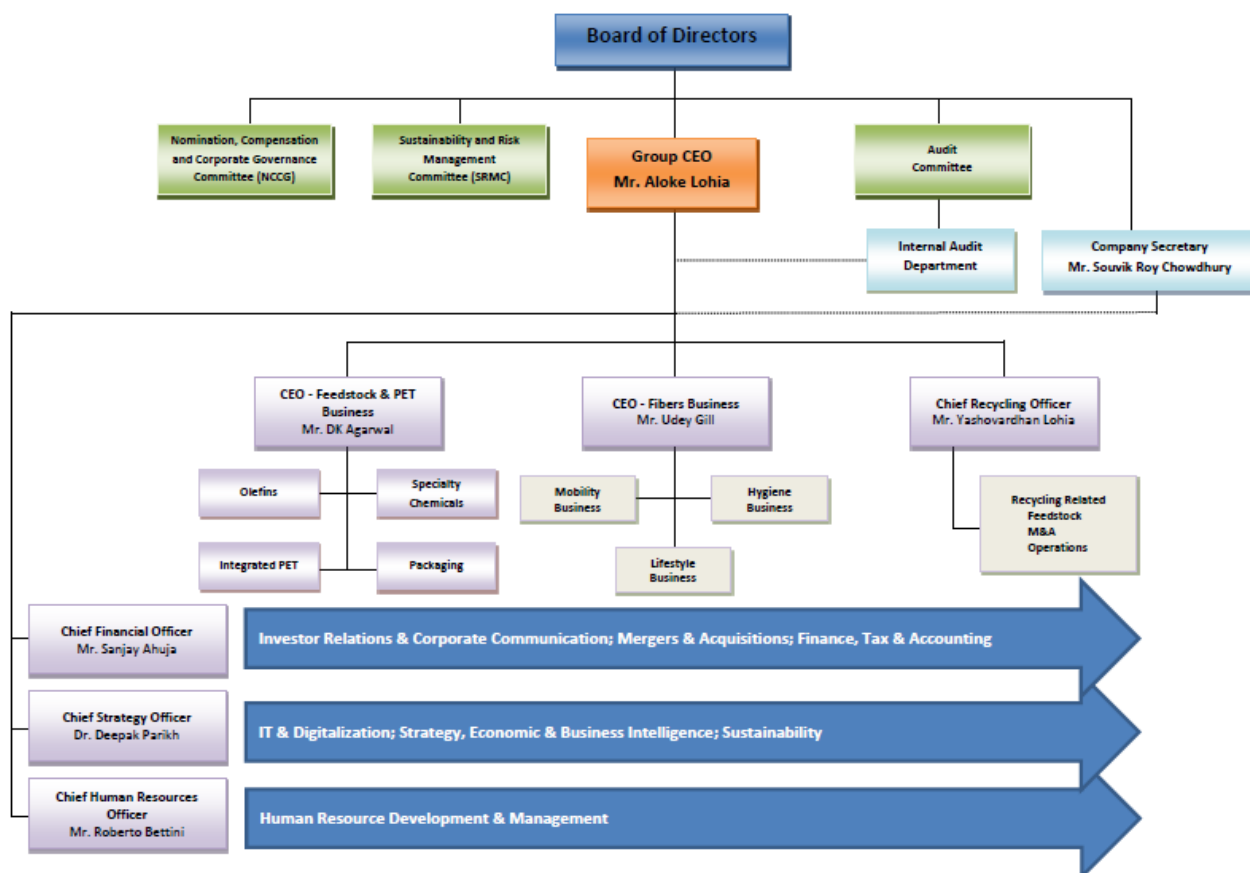
Dividend Policy of the Company

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



The Board of Directors

As of 31st December 2019, IVL's Directors are:

Name	Position	Appointment Date of Directorship
1. Mr. Sri Prakash Lohia	<ul style="list-style-type: none"> Chairman of the Board Non-Executive Director 	19 September 2009
2. Mr. Aloke Lohia	<ul style="list-style-type: none"> Vice Chairman of the Board Executive Director Chairman of the Sustainability and Risk Management Committee Group Chief Executive Officer 	19 September 2009
3. Mrs. Suchitra Lohia	<ul style="list-style-type: none"> Executive Director Chairperson of the Corporate Social Responsibility Committee 	19 September 2009
4. Mr. Amit Lohia	<ul style="list-style-type: none"> Non-Executive Director 	19 September 2009
5. Mr. Yashovardhan Lohia*	<ul style="list-style-type: none"> Executive Director Member of the Sustainability and Risk Management Committee Chief Recycling Officer 	24 April 2019
6. Mr. Dilip Kumar Agarwal	<ul style="list-style-type: none"> Executive Director Member of the Sustainability and Risk Management Committee Chief Executive Officer of Feedstock and PET Business 	27 April 2010
7. Mr. Udey Paul Singh Gill	<ul style="list-style-type: none"> Executive Director Member of the Sustainability and Risk Management Committee Chief Executive Officer of Fibers Business 	27 April 2011
8. Mr. Sanjay Ahuja	<ul style="list-style-type: none"> Executive Director Chief Financial Officer 	13 November 2015
9. Mr. Rathian Srimongkol	<ul style="list-style-type: none"> Vice Chairman of the Board Lead Independent Director Chairman of the Audit Committee Member of the Sustainability and Risk Management Committee 	19 September 2009
10. Mr. William Ellwood Heinecke**	<ul style="list-style-type: none"> Independent Director Member of the Nomination, Compensation and Corporate Governance Committee 	19 September 2009
11. Mr. Maris Samaram***	<ul style="list-style-type: none"> Independent Director Member of the Audit Committee 	27 April 2010
12. Dr. Siri Ganjarerndee	<ul style="list-style-type: none"> Independent Director Member of the Audit Committee Member of the Nomination, Compensation and Corporate Governance Committee 	27 April 2010
13. Mr. Kanit Si	<ul style="list-style-type: none"> Independent Director Member of the Nomination, Compensation and Corporate Governance Committee Member of the Sustainability and Risk Management Committee 	27 April 2010
14. Mr. Russell Leighton Kekuwa**	<ul style="list-style-type: none"> Independent Director Chairman of the Nomination, Compensation and Corporate Governance Committee Member of the Sustainability and Risk Management Committee 	20 October 2014

Name	Position	Appointment Date of Directorship
15. Mr. Chakramon Phasukavanich	<ul style="list-style-type: none"> Independent Director Member of the Nomination, Compensation and Corporate Governance Committee 	13 November 2015
16. Mr. Tevin Vongvanich****	<ul style="list-style-type: none"> Independent Director Member of the Sustainability and Risk Management Committee 	24 April 2019

* Mr. Yashovardhan Lohia was appointed as: (i) an Executive Director on 24th April 2019, (ii) Chief Recycling Officer effective 8th May 2019, and (iii) a Member of the Sustainability and Risk Management Committee effective 7th August 2019.

** Mr. Russell Leighton Kekuwa succeeded Mr. William Ellwood Heinecke as the Chairman of the Nomination, Compensation and Corporate Governance Committee in May 2019.

*** Mr. Maris Samaram resigned from Member of the Sustainability and Risk Management Committee with effective 7th August 2019.

**** Mr. Tevin Vongvanich was appointed as: (i) an Independent Director on 24th April 2019; and (ii) a Member of Sustainability and Risk Management Committee in place of Mr. Maris Samaram effective 7th August 2019.

The Authorized Directors

The Authorized Directors who sign on behalf of the Company can be any two of the following directors: Mr. Alope Lohia, Mrs. Suchitra Lohia, Mr. Dilip Kumar Agarwal, Mr. Sanjay Ahuja, and Mr. Yashovardhan Lohia, together with the Company's affixed seal.

Composition of the Board of Directors

There are six executive directors, (1) Mr. Alope Lohia, (2) Mrs. Suchitra Lohia, (3) Mr. Dilip Kumar Agarwal (4) Mr. Udey Paul Singh Gill (5) Mr. Sanjay Ahuja, and (6) Mr. Yashovardhan Lohia.

There are eight independent directors, (1) Mr. Rathian Srimongkol, (2) Mr. William Ellwood Heinecke, (3) Mr. Maris Samaram, (4) Dr. Siri Ganjarende, (5) Mr. Kanit Si, (6) Mr. Russell Leighton Kekuwa, (7) Mr. Chakramon Phasukavanich and (8) Mr. Tevin Vongvanich, in addition to two 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 "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 and Risk Management Committee. The details of each sub-committee are provided under the topic of "Corporate Governance Report".

Board Meetings

Meetings in 2019						
Name	Board of Directors (9 times)	Audit Committee (8 times)	Nomination, Compensation and Corporate Governance Committee (3 times)	Sustainability and Risk Management Committee (2 times)	Independent Directors (1 time)	AGM 2019
1. Mr. Sri Prakash Lohia	3/9	-	-	-	-	1/1
2. Mr. Alope Lohia	9/9	-	-	2/2	-	1/1
3. Mrs. Suchitra Lohia	9/9	-	-	-	-	1/1
4. Mr. Amit Lohia	4/9	-	-	-	-	1/1
5. Mr. Yashovardhan Lohia*	6/6	-	-	1/1**	-	-
6. Mr. Dilip Kumar Agarwal	8/9	-	-	2/2	-	1/1
7. Mr. Udey Paul Singh Gill	8/9	-	-	1/2	-	1/1
8. Mr. Sanjay Ahuja	8/9	-	-	-	-	1/1
9. Mr. Rathian Srimongkol	8/9	8/8	-	2/2	1/1	1/1
10. Mr. William Ellwood Heinecke	7/9	-	2/3	-	1/1	1/1
11. Mr. Maris Samaram	9/9	7/8	-	0/1***	1/1	1/1
12. Dr. Siri Ganjarende	9/9	8/8	2/3	-	1/1	1/1
13. Mr. Kanit Si	9/9	-	3/3	2/2	1/1	1/1
14. Mr. Russell Leighton Kekuwa	9/9	-	3/3	2/2	1/1	1/1
15. Mr. Chakramon Phasukavanich	9/9	-	3/3	-	1/1	0/1
16. Mr. Tevin Vongvanich*	5/6	-	-	1/1**	-	-

* Mr. Yashovardhan Lohia and Mr. Tevin Vongvanich were appointed as IVL Directors on 24th April 2019.

** Mr. Yashovardhan Lohia and Mr. Tevin Vongvanich were appointed as Members of the Sustainability and Risk Management Committee effective 7th August 2019.

*** Mr. Maris Samaram resigned as a Member of Sustainability and Risk Management Committee with effect from 7th August 2019.

Executives

As of 31st December 2019, 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. Yashovardhan Lohia	Chief Recycling Officer
4. Mr. Dilip Kumar Agarwal*	Chief Executive Officer of Feedstock and PET Business

Name	Position
5. Mr. Udey Paul Singh Gill*	Chief Executive Officer of Fibers Business
6. Mr. Sanjay Ahuja*	Chief Financial Officer
7. Dr. Deepak Parikh*	Chief Strategy Officer
8. Mr. Roberto Bettini*	Chief Human Resources Officer
9. Mr. Manoj Kumar Sharma	Head of Account
10. Mr. Souvik Roy Chowdhury	Company Secretary and Head of Corporate Compliance

* Members of Indorama Management Council (IMC)

The Company Secretary

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

Education

- Chartered Accountant, The Institute of Chartered Accountants of India, India
- Chartered Institute of Management Accountants London – Intermediate
- Bachelor of Commerce, University of Calcutta, India

Working Experience

- 2010 – Present: Indorama Ventures PCL

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 31st August 2008 with responsibility, care and integrity and must comply with the laws, objectives, Articles of Association, resolutions of the Board of Directors as well as resolutions of Shareholders. The duties of Company Secretary prescribed by the laws are as follows:

1. Preparation and maintenance the following documents:
 - a. Registration of Directors
 - b. Notice of Board of Directors' Meetings, Minutes of Board of Directors' Meetings and annual reports
 - c. Notice of the Shareholders' Meetings and Minutes of Shareholders' Meetings
2. Keeping reports on interest filed by Directors or Executives and submitting a copy of such report on interest under Section 89/14 to the Chairman of the Board and Chairman of Audit Committee for acknowledge within 7 business days from the date on which the Company has received such report;
3. Performing any other acts as specified in the notification of the Capital Market Supervisory Board.

In addition, the Company Secretary has the following additional duties as assigned by the Company:

- Providing basic advice pertaining to the securities laws and regulations and Articles of Association, monitoring compliance on a regular basis, and reporting any significant changes to the Board.
- Arranging Shareholders' Meetings and Board of Directors' Meetings in accordance with the laws, regulations and related best practices.
- Preparing minutes of the Shareholders' Meetings and the Board of Directors' Meetings, and monitoring subsequent compliance with the resolutions of those Meetings.
- Preparing and maintaining registrations of directors, annual reports, Notice of the Shareholders' Meetings, Notice of Board of Directors' Meetings, Minutes of the Shareholders' Meeting and the Board of Directors' Meetings.
- Maintaining 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 (both in Thai and English).
- Timely reporting of all necessary disclosures to the Securities and Exchange Commission (SEC) and Stock Exchange of Thailand (SET).
- Assisting with board activities including provide preliminary advice and recommendations pertaining to legal, regulatory, corporate governance issues and best practices related to the board and committees.
- Supporting directors to ensure that they all have sufficient information and knowledge to effectively fulfill their roles and responsibilities and reporting on these developments in the annual report.
- Frequently develops and updates the information relating to company secretary's duties.

Remuneration of Directors and Management

Please see the details under "Corporate Governance Report"

Personnel

Number of Employee

As of 31st December 2019, the Company, including its affiliates and in accordance with its business structure, has total 23,245 employees as outlined below:

Type of Businesses	Numbers of Employees
Integrated PET	5,774
Fibers/ Wool	13,969
Packaging	1,352
Integrated Oxides and Derivatives	174

Type of Businesses	Numbers of Employees
Specialty Chemicals	658
Recycling	1,075
Corporate Supports	243

- Employee Benefits paid out in 2019

Items	Amount (in Million Baht)
Wages, Salaries, Bonuses and Staff Welfare	24,061
Provident Funds	36
Long-term Employee Benefits	2,593
Other Long-term Benefits (EJIP)	19

For further details, please see the details under “Corporate Governance Report”.

9. Corporate Governance Report 2019

The Board of Directors and the management of Indorama Ventures is firmly committed to implementing and practicing good corporate governance across all its global operations in pursuit of its long term sustainable business success. The Company will continue to cover Corporate Governance Code for listed Companies 2017 and recommendations of the Securities Exchange Commission (“SEC”), Stock Exchange of Thailand (“SET”), Institute of Directors, Thailand (IOD) and others. The Company will ensure that all employees of IVL are aware of the Governance principles and practices that IVL promotes.

In pursuit of its commitment and for a better understanding and more effective implementation, all of corporate governance related policies and codes of conducts were reviewed, combined and restructured into one document, the Corporate Governance Manual (“the Manual”). The Manual, approved by the Board in August 2019, provides all directors, employees and stakeholders of the Company a clearer focus of how the Company’s values are being implemented and how corporate governance is being realized in the Company.

9.1 Corporate Governance Principle

In the Manual, Corporate Governance Policy is renamed to Corporate Governance Principles that follows the guidelines set out by the SET and the criteria for Corporate Governance under OECD principles. It covers the following: a) the rights of shareholders b) equitable treatment of shareholders c) the role of stakeholders d) disclosure and transparency e) the responsibility of the Board of Directors. The CG Principles provide the basic foundation for sound, long-term oriented governance, and balancing the interests of the Company’s many stakeholders.

Furthermore, the Board of Directors performs its duties as suggested in the Corporate Governance Code for listed companies 2017 (“the Code”) issued by the SEC. It consists of 8 principles: 1) Establish clear leadership roles and responsibilities of the Board 2) Define objectives that promote sustainable value creation 3) Strengthen Board effectiveness 4) Ensure effective CEO and people management 5) Nurture innovation and responsible business 6) Strengthen effective risk management and internal control 7) Ensure disclosure and financial integrity 8) Ensure engagement and communication with shareholders. 97% of the SEC’s recommendations have been implemented.

In addition, the Board oversees and enforces the Company to follow the rules and regulations of Listed Companies issued by the SEC and Capital Market Supervisory Board (CMSB) and implements the recommendations as stated in the Corporate Governance Report of Thai Listed entities (CGR) issued by the IOD, ASEAN Corporate Governance Scorecard and Transparency International.

The Highlight Practice of Corporate Governance in 2019

The Company has adopted and consistently complied with the principles of good corporate governance as recommended by the SET as explained in the various sections below. However, the following may be noted.

1. The Manual, as mentioned above, was introduced to all IVL entities globally in September 2019 for more clarity, relevance and transparency and set out how we prioritize our responsibilities as a leading chemical company. To ensure proper dissemination and understanding the CGPAC committee has undertaken various training sessions and will be conducting training and reviews going forward. Details further explained below under IVL Corporate Governance Policy Awareness Campaign 2019.
2. The Whistleblower Policy was made General Data Protection Regulation (GDPR) compliant to further ensure protection of the personal information being received.
3. The company has a Chairman of the Board who is a Non-executive Director and a major shareholder, who was chosen because of his vast experience in what is a very complex industry. The Chairman has no role in the management of the Company but his experience is called upon to advise the Board as necessary. He was re-appointed for another term.
4. The Company had formalised the appointment a Lead Independent Director (the “LID”) in February 2018. The roles and responsibilities of the LID were revised during the year to align with good governance practice.
5. The Sustainability and Risk Management Committee appointed an additional Executive Director and one Senior Management in August 2019 thereby taking the total number of members to 9.
6. Currently the Board does not have any independent female directors. The Board of IVL has declared it does not have any gender bias and shall appoint a qualified female Independent Director as and when the opportunity arises. Accordingly in November 2019, the Nomination, Compensation and Corporate Governance Committee (the “NCCG Committee”) decided at its meeting, in the interest of gender diversity, to appoint a female candidate, who will commence in May 2020 following the annual general meeting of shareholders.
7. Charters and other governance policies were reviewed and amendments made as required. This is discussed in a later part of the report.
8. All Whistleblower complaints received during the year have been suitably addressed to by the Whistleblower Committee. More details provided in the Whistleblower Policy section below.
9. The Company has opted not to use “Cumulative Voting” for the election of Company directors.

For the continued practice of good Corporate Governance in 2019, the Company received the following assessment and awards:

1. **A score of 100 percent for the 2019 Annual General Meeting** of Shareholders, judged by the Thai Investors Association. This was the eighth consecutive year in succession.
2. An **“Excellent - 5 Star” CG score** in the practice of **Corporate Governance of Thai Listed Companies** which was carried out by Thai Institute of Directors (IOD) in conjunction with the 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 again scored 94 percent. This is the seventh consecutive year that IVL received the “5 star” rating.

3. The Company successfully renewed its certification for **Thailand’s Private Sector Collective Action Coalition Against Corruption (CAC)** in May 2018. IVL received its first certification in October 2014.
4. The Company has been listed in the **Dow Jones Sustainability World and Emerging Markets Indices 2019 (DJSI)** - Chemicals Industry at **SECOND rank** among the top global chemical companies.
5. The Company participated in the **CDP’s Climate Change Assessment** for third consecutive year and achieved “B” Rating in 2019.
6. The Company has been listed in a constituent of the **FTSE4Good Index Series** and received the **Best ESG Score at the 100 Percentile** of the group.
7. The Company received a **Gold Recognition level for sustainability from EcoVadis**. The achievement places the company at the **top 3% of the companies** in manufacture of basic chemicals.
8. The Company received the **Thailand Sustainability Investment (THSI)** award from the Stock Exchange of Thailand for the fifth consecutive year.
9. The Company has been listed in the **Leading SET Index 2019 Bloomberg ESG Disclosure Scores**.
10. The Company received BB rating for the **MSCI ESG Rating** in 2019.
11. The Company received the **Sustainability Disclosure Award 2019** from Thaipat, which reflects IVL’s good practice of disclosing social and environmental policy as well as outstanding performance on Environmental, Social and Governance (ESG), supporting long-term sustainable development.

IVL Corporate Governance Awareness Campaign 2019

IVL has had a Corporate Governance Policy Awareness Campaign (CGPAC) since 2013. The CGPAC Committee has continuously monitored 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 through training in the true spirit that they were created. CGPAC is a continuous program of communicating, training, conducting seminars and monitoring implementation.

In 2019, with the introduction of the Manual which was rolled out in September 2019, the CGPAC Team communicated the objective and training guidelines across all units for clear understanding by:

- Getting the Manual translated into 20 regional languages through the local units. They all are available on the Company’s website under the Corporate Governance section. They can be accessed by all employees.

- Developing and distributing the Manual training package to all units including those newly acquired in 2019. The translated versions of the training videos included in the package are created upon request for better understanding of the training content.
- Conducting training sessions and meetings for local teams who are responsible for communicating the Manual locally to ensure the consistency of the training delivered. On-site trainings were conducted at all units in Thailand and three teleconference meetings were held for the units around the world.
- Developing a training plan which outlines the proposed training until 2022.

All site heads are responsible for the implementation of the new manual and will report results of the implementation to the CGPAC committee who in turn reports the status to the Nomination, Compensation and Corporate Governance Committee and Board.

Site/HR heads ensure that all employees are informed about the CG Manual as soon as they join the Company. The new employees are required to acknowledge that they have read and understood the Manual. This initiative has ensured that all new employees are aware of the program.

The CGPAC Implementation Report for 2019 based on the old version of corporate policies and code of conduct, revealed that 80% of all employees have attended corporate governance training in the past three years with 68% of the site having 100% training coverage of their employees.

Corporate Governance Manual and related Policies are reviewed annually. The CGPAC Committee will submit their recommendations to the Board for changes to policies each year as required.

9.1.1 Rights of Shareholders and Equitable Treatment of Shareholders

It is the Company's top most priority 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; they have the right to appoint a proxy to participate and vote at the such meeting; the right to vote for the appointment or removal of Individual Directors; the rights 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 No.1/2019 held on April 24, 2019.

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.

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 and posted on the Company’s website on September 9, 2019. The notification clearly mentioned the procedure and criteria. The Company has not received any proposal from any shareholder and the same was informed to the Board in February 2020.

IVL will continue to provide opportunities for 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 (2018) and the three reviewed quarterly financial statements of 2019 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 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. Like previous years, the Company organized visits by the Shareholders’ to its plants. The trips were organized on June 19, 2019 and November 27, 2019 to visit the IVL’s factories in Lopburi and Rayong, Thailand respectively. 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 Annual General Meeting of Shareholders No. 1/2019 was held on April 24, 2019 and the Notice was issued out on March 25, 2019.

All information sent to the shareholders was posted on the Company’s website both in English and Thai on March 13, 2019 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 13, 2019 and local newspapers to remind the Shareholders to participate at the Shareholder meeting.

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 appoint either their authorized person or any one of the three 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 the shareholder registration to start more than two hours before the meeting. Preparation of the venue, greeters and appropriate number of registration staffs were arranged to assist shareholders in the registration process. The registration continued even after the meeting had 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 staffs.

A barcode scanning system 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.

The Company deployed simultaneous translation into Thai language at the Shareholders' Meeting.

Appointment of New Directors and Re-Appointment of Retiring Directors

In 2019, two additional directors were appointed to the Board in order to strengthen oversight in view of the rapid expansion and growth. After due consideration of the business requirements and the current Board of Director profile mix, the NCCG Committee and the Board of Director recommended Mr. Tevin Vongvanich to be appointed as an independent director and Mr. Yashovardhan Lohia to be appointed as an executive director.

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 two new Directors and five Directors retiring and offering themselves for re-appointment include the following information, in order to facilitate the voting by the shareholders. 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.

The NCCG Committee selects 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 correctively serving the long-term interest of the shareholders.

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

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

The appointment and re-appointment of retiring Directors was approved by the Shareholders based on 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.

b) 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 2019 and the annual bonus for all IVL Directors payable for 2018 performance 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 NCCG 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 either Independent or 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 2019. No retainer fee is paid to the Executive Directors on the Board of IVL.

Details of remuneration in 2019 paid to the Independent Directors and Non-Executive Directors and the bonus for 2018 performance 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 2019 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.

c) Appointing the External Auditor and Approving the Audit Fee

To facilitate the shareholder voting, the Notice of the meeting detailed the name of the audit firm, the auditors' names, the independence of the proposed auditors, the number of years they acted as the Company's auditor, the total audit and non-audit fees paid in 2018 and 2019 and separately Company audit fee proposed in 2019, together with the opinion of the Board based on the recommendation of the Audit Committee.

d) Payment of Dividend Interim Dividends

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 for 2018 performance at Baht 1.40 per share. Out of the said final dividend, an interim dividend of Baht 0.70 per share was paid on September 4, 2018 and Baht 0.35 per share was paid on December 18, 2018 by the Company respectively; and the Company paid the remaining dividend of Baht 0.35 per share on May 23, 2019.

e) 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 2018, the AGM was held on April 24, 2019. The meeting started with 3,138 shareholders in person or proxy and representing 84.73% of the total shares sold. At the close of the meeting there were 3,627 shareholders in person or proxy and representing 84.81%. The meeting started at 2.00 pm and ended at 6.00 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. The legal counsel from The Capital Law Office, the Company's legal counsel was nominated to inspect the voting and voting counting procedure. 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 that 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. Directors who were to be re-appointed at the meeting left the meeting room when the agenda on their re-appointment was taken up.

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 13 out of 14 Directors present including the Group Chief Executive Officer (GCEO), Chairman of the Audit Committee, Chairman 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 Sustainability 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 period of fourteen days after the AGM date. A copy of the Minutes was also posted on the Company's website at the same time.

f) 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 Department. Every quarter, a summary of the shareholding of Directors and management is reported to the Board.

g) 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 ensures 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.

9.1.2 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, communities, the 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's stakeholder policies are now part of the new Manual. Some of the policies which previously addressed groups of Stakeholders' separately were reviewed and brought together to avoid redundant provisions and elaborate on the treatment of each group of key stakeholders more precisely.

IVL policies relating to its Directors, employees and Stakeholders' in the new Manual are:

- Use of Internal information
- Anti-Corruption Policy
- Environment Policy
- Intellectual Property Policy
- Human Rights Policy
- Health and Safety Policy
- HIV-AIDS
- Diversity Policy
- Treatment of Stakeholders:
 - Shareholders
 - Customers
 - Suppliers
 - Creditors
 - Competitors
 - Government

- Media
 - Whistleblower Policy
 - Supplier Code of Conduct

All the above policies though included in the Manual are separately disclosed on the website for reference. The CGPAC team uniformly structured the policies during the year.

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 Manual and related policies will be reviewed periodically and changes will be implemented as required.

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

The Company hired J.D. Power to perform a customer satisfaction survey during the year. The customer satisfaction index average score for 2019 is 86.58% an increase of 0.57% over 2018.

Personnel:

All personnel of IVL and its subsidiaries are considered 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.

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.

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

Suppliers:

IVL and its subsidiaries foster symbiotic, long-standing and growing relationships with all its suppliers, based on mutual benefit and guided by good business ethics. We also want to work with our suppliers 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. Suppliers 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 suppliers, 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 suppliers 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.

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 receives periodical reports from business units on the implementation status.

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.

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.

Government:

IVL honors its relationships with governments and regulatory authorities in all of the jurisdictions where it operates and will comply with their instructions, statutory requirements and applicable laws concerning all aspects of its businesses.

Media:

IVL provides accurate and relevant information to the media as it plays a vital role in communicating information about the Company to the general public.

Whereas the Corporate Communication Department acts as a liaison with the media to provide information, only the authorized spokespersons may be interviewed or speak on behalf of the Company.

Community, Environment and 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

IVL encourages our employees to get involved with local environmental projects, especially those align with the Company's CSR strategy. It also provides relevant training for our employees so that

they will have a keener understanding of the environment issues relating to the Company's business and be able to help reduce environmental impacts of the Company.

The Company cooperates with various waste management initiatives conducted by the private and public sector and undertakes education program for communities to promote the correct method of waste management.

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.

Code of Conduct:

The Company through the Code of Conduct strives to achieve observance of ethical practices, honesty, and accountability, as well as a responsibility to all stakeholders and external agencies. The new CG Manual effective from September 2019 now has one unified code for directors and employees. Prior to this there was a separate code of conduct for directors and employees. All governance policies of the Company are now reflected through the code of conduct in order to eliminate overlaps and duplications that were existing and to better ensure that the values of the Company are realized on a day to day basis. The training of the code is embedded in the training of the new Manual.

Prior to the new Manual, all directors and employees were made aware of their respective codes.

Anti-Corruption and Bribery:

The new Manual explains among other things the company's strong position 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 included in the new Manual of the Company. The policy provides definition of corruption and explains the key practices in order to avoid engagement in any form of corruption.

The Company also adheres to all local, national and international laws where appropriate.

The CAC Certification was first received by the Company in 2014 and successfully renewed in 2018 for another three years.

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 continuously enforces training in the local languages.

Anti-corruption educational materials and policy in the new Manual has been uploaded on the company's intranet and disseminated to overseas units to ensure that our policy is well communicated, and the same standard practice made available worldwide. Details on training provided in IVL Corporate Governance Awareness Campaign 2019.

To support the continued effort and monitor the implementation of the Anti-Corruption Policy, the Internal Audit Department conducts checks across all units and functions and reporting its findings to the Audit Committee.

The Chief Risk Officer of the Company oversee all risks, including the risk of corruption and bribery, and has been tasked with monitoring, evaluating and recommending actions related to the anti-corruption and anti-bribery efforts of the company.

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

Whistleblower Policy:

The Company has 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. Employees may contact the committee via e-mail to ethics@indorama.net, or by telephone or conventional mail directed to the Whistleblower Committee at the Head Office in Bangkok. During the year, the CGPAC team launched another Whistleblower reporting channel by way of an independent website, whistleblower.indoramaventures.com. The main objective was to provide another anonymous reporting option that would be more convenient, secure and easy to use and for better communication between the reporter and Ethics Committee. In return, the committee guarantees the protection of whistleblowers in that their identities remain confidential under all circumstances and no action will ever be taken against a whistleblower for any reason whatsoever. This information has been delivered to all business units. During 2019, nineteen contacts were made to the Whistleblower Committee. Ten have been resolved while nine are still under an investigation. The results of the investigations and the actions taken were reported to the NCCG Committee and the Board of Directors.

The Whistleblower Policy and the reporting website are EU General Data Protection Regulation (GDPR) compliant.

Complaint Filing Channel for Stakeholders:

The company has opened a channel for all stakeholders to bring concerns to independent directors via the e-mail independentdirectors@indorama.net. This channel may also be used by internal and external stakeholders to raise complaints or comments on any issues.

Both the Whistleblower Committee and Independent Directors contact details are prominently given on the company website under the Corporate Governance section.

9.1.3 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 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 **Appointment of New Directors and 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 "Executive Director, Group CEO and Management Remuneration" section under Responsibility of the Board.

The Charters and Policies of the Company are reviewed annually by the Board in order to ensure alignment with Best Practice. The following were revised and approved by the Board based on the recommendation of the Nomination, Compensation and Corporate Governance sub-committee.

- Charter of the Board of Directors- February 25, 2019
- Diversity Policy- February 25, 2019*
- Anti-Corruption Policy- February 25, 2019*
- Whistleblower Policy- February 25, 2019*

They were uploaded on the Company website.

** All the policies are part of the new Manual.*

The Board reviewed the Vision, Mission and Values Statement of the Company and were of the opinion that no change was required to the current statement.

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.

In 2019 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 and SET releases, annual report, corporate policies, corporate structure, details of subsidiaries, 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 implements all recommendations made by the SEC, SET and IOD.

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. 134 or email to ir@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 shareholding of Directors, Management including their spouses and minor children for the period January 1, 2019 to December 31, 2019 is as follows:

No.	Name	Ordinary Shares (Shares)				
		As at 31 Dec. 2018	Changes in 2019		As at 31 Dec. 2019	
		No. of Shares		No. of Shares	No. of Shares	%
1	Mr. Sri Prakash Lohia Spouse and Minor Children	-	Acquisition/Disposition	-	-	-
		-	Acquisition/Disposition	-	-	-
2	Mr. Alope Lohia Spouse and Minor Children	10	Acquisition/Disposition	1,000,000	1,000,010	0.018
		-	Acquisition/Disposition	-	-	-

No.	Name	Ordinary Shares (Shares)				
		As at 31 Dec. 2018	Changes in 2019		As at 31 Dec. 2019	
		No. of Shares		No. of Shares	No. of Shares	%
3	Mrs. Suchitra Lohia Spouse and Minor Children	- 10	Acquisition/Disposition Acquisition/Disposition	- 1,000,000	- 1,000,010	- 0.018
4	Mr. Amit Lohia Spouse and Minor Children	- -	Acquisition/Disposition Acquisition/Disposition	- -	- -	- -
5	Mr. Yashovardhan Lohia Spouse and Minor Children	- -	Acquisition/Disposition Acquisition/Disposition	- -	- -	- -
6	Mr. Dilip Kumar Agarwal Spouse and Minor Children	196,631 -	Acquisition/Disposition Acquisition/Disposition	96,821 -	293,452 -	0.005 -
7	Mr. Udey Paul Singh Gill Spouse and Minor Children	51,322 -	Acquisition/Disposition Acquisition/Disposition	38,337 -	89,659 -	0.002 -
8	Mr. Sanjay Ahuja Spouse and Minor Children	41,023 -	Acquisition/Disposition Acquisition/Disposition	22,262 -	63,285 -	0.001 -
9	Mr. Rathian Srimongkol Spouse and Minor Children	265,000 -	Acquisition/Disposition Acquisition/Disposition	450,000 -	715,000 -	0.013 -
10	Mr. Maris Samaram Spouse and Minor Children	- -	Acquisition/Disposition Acquisition/Disposition	- -	- -	- -
11	Mr. William Ellwood Heinecke Spouse and Minor Children	2,994,932 -	Acquisition/Disposition Acquisition/Disposition	1,940,000 -	4,934,932 -	0.088 -
12	Dr. Siri Ganjarerndee Spouse and Minor Children	- -	Acquisition/Disposition Acquisition/Disposition	- -	- -	- -
13	Mr. Kanit Si Spouse and Minor Children	300,000 -	Acquisition/Disposition Acquisition/Disposition	- -	300,000 -	0.005 -
14	Mr. Chakramon Phasukavanich Spouse and Minor Children	- 102,354	Acquisition/Disposition Acquisition/Disposition	- -	- 102,354	- 0.002
15	Mr. Russell Leighton Kekuwa Spouse and Minor Children	539,000 -	Acquisition/Disposition Acquisition/Disposition	211,000 -	750,000 -	0.013 -
16	Mr. Tevin Vongvanich Spouse and Minor Children	- -	Acquisition/Disposition Acquisition/Disposition	- -	- -	- -
17	Mr. Roberto Bettini Spouse and Minor Children	- -	Acquisition/Disposition Acquisition/Disposition	22,801 -	22,801 -	0.000 -
18	Dr. Deepak Parikh Spouse and Minor Children	- -	Acquisition/Disposition Acquisition/Disposition	5,098 -	5,098 -	0.000 -
19	Mr. Manoj Kumar Sharma Spouse and Minor Children	15,735 -	Acquisition/Disposition Acquisition/Disposition	9,327 -	25,062 -	0.000 -
20	Mr. Souvik Roy Chowdhury Spouse and Minor Children	18,704 -	Acquisition/Disposition Acquisition/Disposition	8,075 -	26,779 -	0.000 -

Reporting

IVL has in place a reporting policy for all directors and management, that they report their shareholding every quarter to the Company Secretary, who in turn writes a summary for the Board. The shareholding includes themselves, their spouses and minor children. Any trading of IVL securities must be reported immediately to the Company Secretary. IVL has set a black out period for

trading in IVL securities. Every quarter, the Company Secretarial Department informs the Directors and Management of the blackout period.

All IVL directors and management are required to report their interest, if any in the designated “Declaration of Interest” Form of the Company beginning of each year. Such forms are kept at the Company Secretary department.

9.1.4 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 strategy meeting key executives from all IVL units participate and discuss their performance and strategies both in the short and long term with the senior management and Board members. Such meetings give the Board and especially the Independent Directors ample opportunity to interact and discuss with the respective executives about their business plans and performance and also to understand the various businesses that IVL operates. Where necessary, suggestions are made by the Board.

After presentation of all Business segments’ plans, the Annual Plan for the year is thereafter approved by the Board of Directors. 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 detailed role and responsibility of the Board is clearly set out in the Board of Directors Charter which is uploaded on the Company website.

Board Approvals

The average attendance for the Board meeting held during 2019 has been approx. 87.15% (over 2/3rd). For the Annual Budget approval the attendance was 100%. For each Agenda items at Board meetings, detailed discussions take place and approvals are given unanimously.

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 has guidelines on Stakeholder business ethics as a part of the policies issued by the company and monitors the effective implementation of good business practice and ethics using several tools such as customer and supplier surveys, results of employee training feedback surveys and others.

The Board through the Audit Committee, internal auditor, and Corporate 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 which is reviewed by the Audit Committee and forwarded to the Board.

The Board at the Strategic Business Plan meet in January gets 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 February 2019 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.

2. Board Structure

There are 16 Directors on the IVL Board comprising of six Executive Directors, two Non-Executive Directors and eight Independent Directors. The Board has a diversity of nationalities, genders, ages and skills. It does not discriminate against female directors and hires according to availability and qualifications.

The Board structure is appropriate in relation to the size of the Company, geographic spread, 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 Board has a policy to seek the services of a professional search firm when necessary to replace or nominate a new director.

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 directors, 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. The role and responsibility of the Company Secretary is uploaded on the Company's website.

3. Charters

The Company has in place the following Charters:

- Board of Directors
- Audit Committee
- Nomination, Compensation and Corporate Governance Committee
- Sustainability and Risk Management Committee (SRMC)

The Charters are all uploaded on the Company website under the Corporate Governance section. During the year the format of the Charters were standardized.

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."

None of the Directors of IVL have breached the above Directorship criteria in 2019.

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 that the industry is extremely complex and takes many years of study in order to be able to play a role in the Board. The current independent directors have shown their value over the years and will continue to play an important role in the company. Replacing directors with many years of our industry experience would seriously hinder the Board's ability to operate at an optimal level. However, they all take their independence seriously and play their role as an independent director.

The Board of Directors has therefore not limited the term of an independent director to not more than nine consecutive years.

However, the NCCG Committee and the Board 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 and

accordingly approved to fix the retirement age of Independent Directors at 72 in November 2018. Necessary changes were made to the Board of Directors Charter.

6. Evaluation of Performance

The Board and sub-committee members carried out a self-evaluation on the Board and sub-committee performance in 2019. The results were summarized and discussed at the Board meeting held in February 2020. The Board and subcommittee members were evaluated as having given very good performance rating in 2019.

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.

Similar evaluation is done by the sub-committees.

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.
- 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 nine meetings during 2019. 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.

Under the Chairmanship of Mr. Rathian Srimongkol, Lead Independent Director, all the independent Directors met on January 22, 2019 to review and discuss the Company's performance and other matters. A similar meeting of the Independent Directors will be held on January 22, 2020. The Lead Independent Director updated the Group CEO on the outcome of their meeting.

The Chairman, Group CEO, Lead Independent Director and Company Secretary set the Board meeting agenda and the Company Secretary sends invitation letter 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 subsidiary companies are provided to Board members as requested.

During the year, there were four extraordinary meetings which were called at short notices other than the five regular meetings to consider important agenda items. Non-Executive Directors based out of Thailand, due to their other prior commitments could not attend such additional short notice meetings.

The following are the details of attendance of the Board of Directors' meeting in 2019.

Name	Attendance/Regular Meetings**	Attendance/Extraordinary Meetings
1. Mr. Sri Prakash Lohia	3/5	0/4
2. Mr. Alope Lohia	5/5	4/4
3. Mrs. Suchitra Lohia	5/5	4/4
4. Mr. Amit Lohia	4/5	0/4
5. Mr. Yashovardhan Lohia*	3/3	3/3
6. Mr. Dilip Kumar Agarwal	5/5	3/4
7. Mr. Udey Paul Singh Gill	4/5	4/4
8. Mr. Sanjay Ahuja	5/5	3/4
9. Mr. Rathian Srimongkol	5/5	3/4
10. Mr. William Ellwood Heinecke	4/5	3/4
11. Mr. Maris Samaram	5/5	4/4
12. Dr. Siri Ganjarerndee	5/5	4/4
13. Mr. Kanit Si	5/5	4/4
14. Mr. Russell Leighton Kekuwa	5/5	4/4
15. Mr. Chakramon Phasukavanich	5/5	4/4
16. Mr. Tevin Vongvanich*	3/3	2/3

* Mr. Yashovardhan Lohia and Mr. Tevin Vongvanich were appointed as IVL Directors on April 24, 2019.

** The average attendance of regular meetings of 11 out of the total 16 Directors for the year 2019 was 100% and the average for all Directors was 87.15%.

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 staffs.

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

9. Remuneration of Board of Directors and Sub-Committees

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 2019, the total annual remuneration approved at the Annual General Meeting of Shareholders No. 1/2019 held on April 24, 2019 was an amount of not exceeding Baht 30,000,000.

The actual remuneration paid in 2019 is Baht 29,020,000 against the approved amount of Baht 30,000,000. 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	600,000
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. Russell Leighton Kekuewa	50,000 per month	600,000
10	Mr. Tevin Vongvanich*	50,000 per month	400,000
Total			6,100,000

* Mr. Tevin Vongvanich's remuneration has been paid effective from May 2019.

As Audit Committee Members

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

As Nomination, Compensation and Corporate Governance Committee Members

No.	Members	Amount Approved (Baht)	Actual Paid (Baht)
1	Mr. Russell Leighton Kekuewa*	35,000 per month	380,000
2	Mr. William Ellwood Heinecke*	25,000 per month	340,000
3	Dr. Siri Ganjarerndee	25,000 per month	300,000
4	Mr. Kanit Si	25,000 per month	300,000
5.	Mr. Chakramon Phasukavanich	25,000 per month	300,000
Total			1,620,000

* Mr. Russell Kekuewa took over the chairmanship from Mr. William Heinecke effective May 1, 2019.

As Sustainability and 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	175,000
3	Mr. Russell Leighton Kekuewa	25,000 per month	300,000
4	Mr. Kanit Si	25,000 per month	300,000
5.	Mr. Tevin Vongvanich*	25,000 per month	125,000
Total			1,200,000

* Mr. Tevin Vongvanich was appointed in place of Mr. Maris Samaram effective in August 2019.

Bonus to Directors for the Performance of 2018

No.	Directors	Actual Paid (Baht)
1	Mr. Sri Prakash Lohia	1,800,000
2	Mr. Alope Lohia	1,800,000
3	Mrs. Suchitra Lohia	1,200,000
4	Mr. Amit Lohia	600,000
5	Mr. Dilip Kumar Agarwal	1,200,000
6	Mr. Udey Paul Singh Gill	1,200,000
7	Mr. Sanjay Ahuja	1,200,000
8	Mr. Rathian Srimongkol	1,800,000
9	Mr. Maris Samaram	1,200,000
10	Mr. William Ellwood Heinecke	1,200,000
11	Dr. Siri Ganjarerndee	1,200,000
12	Mr. Kanit Si	1,200,000
13	Mr. Russell Leighton Kekuewa	1,200,000
14	Mr. Chakramon Phasukavanich	1,200,000
Total		18,000,000

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

10. Remuneration of Executives

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.

The actual remuneration paid to the IVL Executives⁺ in 2019 was approx. Baht 270.69 million.

⁺As per definition of SEC (details in Management Structure- Executive section).

a. Details of remuneration* paid to the Group CEO and the two CEO's are as follows:

(Million Baht)

No.	Name / Positions	2017			2018			2019		
		Salary	Bonus and perquisites	Total	Salary	Bonus and perquisites	Total	Salary	Bonus and perquisites	Total
1	Mr. Alope Lohia, Group CEO	25.20	22.08	47.28	29.05	28.35	57.40	39.58	31.20	70.78
2	Mr. Dilip Kumar Agarwal, CEO of PET and Feedstock business	18.87	12.48	31.35	28.09	20.62	48.71	46.37	22.24	68.61
3	Mr. Udey Paul Singh Gill, CEO of Fibers business	14.59	6.07	20.66	15.50	12.35	27.85	16.01	9.04	25.05

*Remark: * Compensation indicated above is on accrual basis.*

b. Details of remuneration** to the other Indorama Management Council (IMC) members consisting of Mrs. Suchitra Lohia, Mr. Sanjay Ahuja, Dr. Deepak Parikh and Roberto Bettini are as follows:

(Million Baht)

2017			2018			2019		
Salary	Bonus and perquisites	Total	Salary	Bonus and perquisites	Total	Salary	Bonus and perquisites	Total
23.95	15.45	39.40	28.12	20.99	49.11	61.06	47.79	108.85

*Remark: ** Compensation indicated above is on accrual basis and compensation for an individual who has joined in the middle of the year has been annualized.*

The remuneration above is in accordance with the Company's rules and regulations. The Board/NCCG Committee sets the long and short term KPI for the Group CEO, CEO of PET and Feedstock business, and CEO of Fibers business.

No compensation was paid to Directors 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 taking into consideration the knowledge, potentiality and performance evaluation.

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 2019 was held from January 29-31, 2019 in Bangkok.

13. Professional Development of Directors and Management

Directors who join the Company during the year are given a Directors Orientation folder with complete information about the Company and its subsidiaries to assist them in getting well acquainted with the business, practices and procedures of the Company and their rights, duties and obligations as Director. In addition to the orientation, meetings are 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.

Continual knowledge expansion

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.

The SET requires the person taking the highest responsibility in finance and accounting (Chief Financial Officer: CFO) and the person supervising accounting (Chief Accountant) to undertake certain training to meet the qualifications specified by SEC. IVL's CFO and Head of Accounting completed the following training in 2020:

Program	CFO Mr. Sanjay Ahuja	Head of Accounting Mr. Manoj Kumar Sharma
Refresh Course as prescribed by SET*	/	/

* Details of Refresh training courses:
Mr. Sanjay Ahuja took 6 hours of E-learning CFO's Refresh Course (English Version) - Training for continuing accounting knowledge (CFO's Refresh course).
Mr. Manoj Kumar Sharma took 12 hours of E-learning CFO's Orientation Course (English Version) - Accounting and Financial Preparation (CFO's Orientation Course).

The Board also encourages senior Management of the Company to attend training course about corporate governance in order to enhance good governance within the Company. In 2019, the following managements attended the below training programs at Institute of Directors, Thailand:

1. Mr. Ashok Jain attended Directors Certification Program Class No. 274/2019
2. Mr. Robinder Singh attended Directors Certification Program Class No. 274/2019
3. Mr. Ashok Kumar Arora attended Directors Certification Program Class No. 284/2019
4. Mr. Shrikant Saboo attended Directors Certification Program Class No. 284/2019
5. Mr. Saurabh Mishra attended Directors Certification Program Class No. 284/2019

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

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) Sustainability and Risk Management Committee.

Audit Committee

The Audit Committee consists of three members with Mr. Rathian Srimongkol as Chairman, Mr. Maris Samaram and Dr. Siri Ganjarerndee as members. All members are Independent Directors and have the requisite experience and knowledge to review financial statements. The present Audit Committee whose term expired on September 18, 2019 was appointed for another two years until September 18, 2021 by the Board at its meeting No. 7/2019 dated August 9, 2019. The Audit Committee held eight meetings during the year with the attendance of members as follows:

Name	Attendance
Mr. Rathian Srimongkol *	8/8
Mr. Maris Samaram *	7/8
Dr. Siri Ganjarerndee *	8/8

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

The role and responsibility of the Audit Committee is specified in the Audit Committee Charter, which is available on the Company's website under "Our Company" - Corporate Governance Section.

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 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 Head of the Internal Audit Department is Mr. Narayanaswamy Subramanian. 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 periodically reviews the work of the Internal Audit Department against the plan and makes recommendations to management. In 2019, audits were carried out for all Thai units and several overseas units. The Secretary of the Audit Committee follows up on the implementation of recommendations and reports the progress to the Audit Committee and undertakes periodic checks to ensure compliance with statutory and regulatory requirements.

Nomination, Compensation and Corporate Governance Committee

Mr. Russell Leighton Kekuewa succeeded Mr. William Ellwood Heinecke as the Chairman of the NCCG Committee in May 2019. Mr. Heinecke remains the member of the NCCG Committee. All members on the Committee are independent directors. The term of the Committee expires in May 2020.

Mr. Alope Lohia, Group CEO, is an advisor to the NCCG Committee.

The Nomination, Compensation and Corporate Governance Committee held three meetings during 2019 with the attendance of members as follows:

Name	Attendance
Mr. Russell Leighton Kekuewa	3/3
Mr. William Ellwood Heinecke	2/3
Dr. Siri Ganjarerndee	2/3
Mr. Kanit Si	3/3
Mr. Chakramon Phasukavanich	3/3

The role and responsibility of the NCCG Committee is specified in the NCCG Committee Charter, which is available on the Company's website under "Our Company" - Corporate Governance Section.

A report from the NCCG Committee is separately disclosed in the Annual Report.

Sustainability and Risk Management Committee

The SRMC Committee is chaired by Mr. Alope Lohia, the Group CEO and Vice Chairman of the Board. Other members of the Committee are Mr. Rathian Srimongkol, Mr. Maris Samaram, who resigned in August 2019, Mr. Dilip Kumar Agarwal, Mr. Udey Paul Singh Gill, Mr. Russell Leighton Kekuewa and Mr. Kanit Sri.

The Board at its meeting No. 7/2019 held on August 9, 2019 approved the reappointment of the SRMC Committee and the appointment of Mr. Tevin Vongvanich as the successor of Mr. Maris Samaram, and the appointment of Mr. Yashovardhan Lohia, the executive director and Dr. Deepak Parikh, the Chief Strategy Officer as additional two members of the Committee. The current term of the SRMC Committee expires in August 2021.

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

Name	Attendance
Mr. Alope Lohia	2/2
Mr. Rathian Srimongkol	2/2
Mr. Maris Samaram*	0/1

Name	Attendance
Mr. Dilip Kumar Agarwal	2/2
Mr. Udey Paul Singh Gill	1/2
Mr. Russell Leighton Kekuwa	2/2
Mr. Kanit Si	2/2
Mr. Tevin Vongvanich*	1/1
Mr. Yashovardhan Lohia**	1/1
Dr. Deepak Parikh**	1/1

* Mr. Tevin Vongvanich was appointed in place of Mr. Maris Samaram effective in August 2019.

** Mr. Yashovardhan Lohia and Dr. Deepak Parikh was appointed as the member of the SRMC in August 2019.

The role and responsibility of the SRMC Committee is specified in the SRMC Charter, which is available on the Company's website under "Our Company" - Corporate Governance Section.

A report from the SRMC Committee is separately disclosed in the Annual 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:

- 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.
- 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 shareholder shall have one vote for each share;
 - The shareholder shall vote for the election of each director in turn, person by person;
 - 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;
 - 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 the casting vote.
- 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.

Qualification of Director and Independent Directors

The Company follows the guidelines of the SET and the SEC and industry best practices to set the qualifications of its Executive, Non-Executive and Independent Directors. The qualifications of such Directors are specified in the Board of Directors Charter and Qualification of Independent Directors, uploaded on the website.

Lead Independent Director

In continuation of good governance recommendations and practices, the Board, at its meeting in February 2018, approved the appointment of a Lead Independent Director. Mr. Rathian Srimongkol, Independent Director, Chairman of Audit Committee and Member of Sustainability and Risk Management Committee is the Lead Independent Director.

Details of the Role and responsibility of the Lead Independent Director is available on the Company website under "Role and Responsibilities" in the Leadership section.

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 have at least one experienced representative from Thailand to be a director of its operating subsidiaries and associated companies; who has the requisite qualification 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 Corporate Secretarial Department keeps a summary of the corporate by-laws of all IVL subsidiaries and regularly monitors their compliance with those laws.

Moreover key information of each subsidiary and associate company is maintained by the Corporate Secretarial Department and regular updates taken and changes to records made as required.

Every Quarter confirmation and updates are taken from all units on their compliances with various regulations and litigations if any. A summary of the same is presented to the Audit Committee.

The Corporate Secretarial Department at Thailand has a dedicated senior staff to follow up on all IVL subsidiary companies quarterly Board and Shareholder meetings as applicable. In this regard they monitor by a global meeting control statement.

The core subsidiary Companies of IVL held 468 Board's and Shareholders' meetings in 2019 which are summarized below:

Region	No. of Companies	No of Meetings
Asia	44	151
Europe	65	169
Americas	59	106

Region	No. of Companies	No of Meetings
Africa and Middle East	9	46
Australia	1	1

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

Effective monitoring of the minutes at the various units is done by way of a “Meeting Control Statement” by the Corporate Secretarial Team.

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 in the Manual 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 and executives submit to the Company Secretary a report, in the form as approved by the Board, on their interest or a related person's interest in the Company or its subsidiaries.

Details of the IVL's policy on the use of the internal information can be found in the website of the Company under Corporate Governance section both under the CG Manual and Policies section.

9.6 Audit Fee

The total audit fee and non-audit fee paid during 2019 for IVL and all its subsidiaries, jointly controlled entities and associates globally were as following:

Particulars	Unit: Million Baht	
	2018	2019
1. The total audit fees for IVL and all its subsidiaries, jointly-controlled entities and associates globally	171	184
a) Payment to KPMG Phoomchai Audit Ltd and other members firms of KPMG Phoomchai Audit Ltd.	151	159
b) Other Audit firms	20	25

Particulars	Unit: Million Baht	
	2018	2019
2. The total non-audit fees paid to member firms of KPMG International other than KPMG Phoomchai Audit Ltd	91	161

Remark: The increase in Audit and Non-Audit fee is mainly due to additional acquisitions and increase in scope during the year 2019.

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

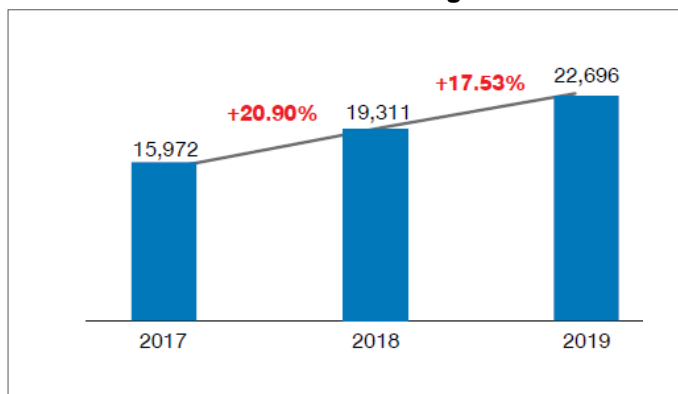
People

The Strategy Priorities of the HR Functions are listed in the CHRO letter to stakeholders.

The following report highlights key interventions and 2019 achievements.

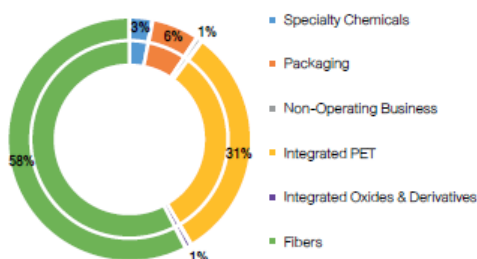


1. Our Global Workforce is Making a Difference



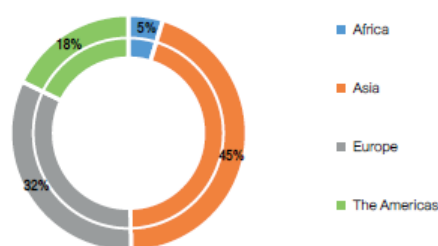
Our headcount grew by 17.53% to **22,696**. Acquisitions contributed 95.68% of our employee growth.

Permanent employees by segment



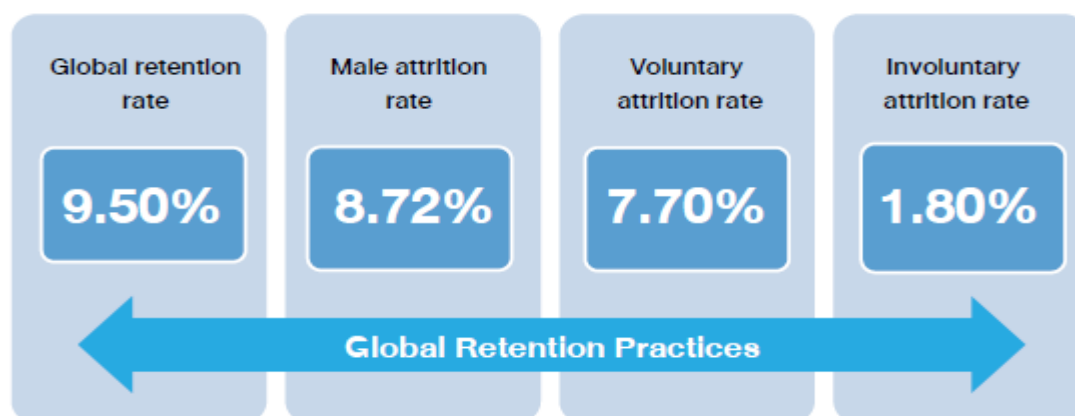
24.87% of the permanent headcount increase was in Fibers, followed by 13.54% in Integrated PET and 12.50% in Integrated Oxides & Derivatives.

Permanent employees by continent

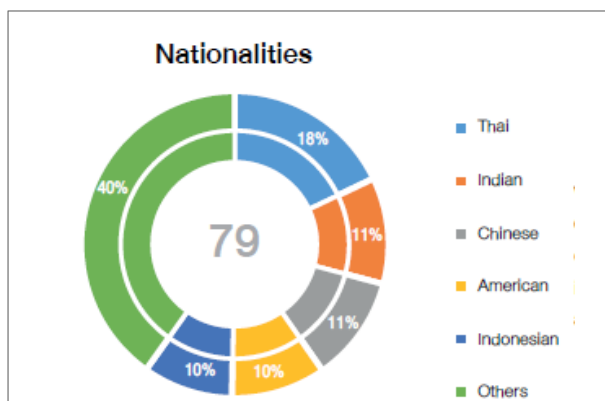


20.72% of the permanent headcount increase was in Europe, followed by 19.49% in the Americas and 17.35% in Asia.

We create retention programs through useful information gathered from various analytical resources such as the Global Employee Engagement Survey, geographic data, exit interviews, focus group discussions, and inputs from our senior leadership team. These efforts allow IVL to create ways to attract and retain the right talent for our organization. This year, we unveiled the global retention platform as a key initiative to adopt the best practices prevailing across all business units. We are confident that our global team will appreciate the efforts underway to retain qualified staff at IVL.

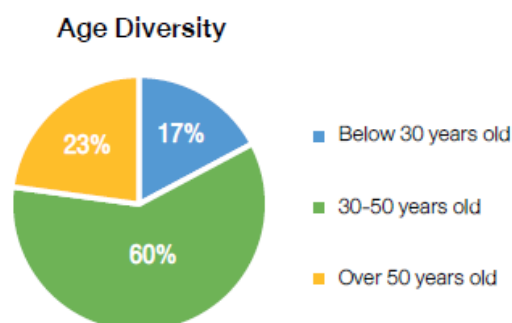
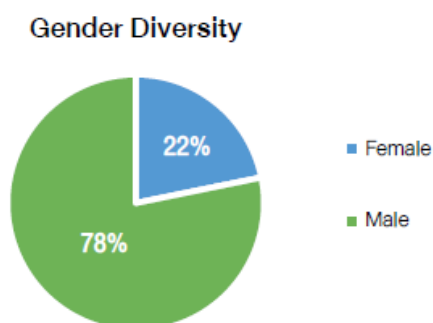


2. Diversity is our Strength



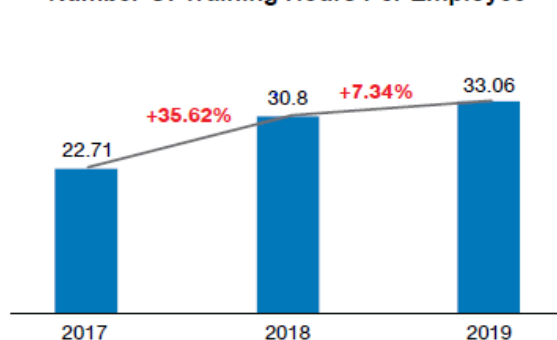
We are proud of our diverse workforce. Our different backgrounds and experiences contribute to exciting ideas and unique perspectives which are incorporated in our business.

IVL values diversity, and this is reflected in the membership of our top management group. The Indorama Management Council (IMC) includes representatives from the US, Italy, and India who bring a wide range of knowledge, skills and professional experiences. We also promote diversity and inclusion at all levels of the organization, including those with disabilities, by providing equal opportunities in sourcing and selection, learning and development, career development, and promotions.



3. People Development opportunities

Number Of Training Hours Per Employee



Training hours by focus area

Focus Area	Training Hours
EHS and Quality	465,806
Functional	104,595
Leadership and Behavior 5	50,166
Technical	48,305
Induction and Orientation	42,448
Language Skills	16,886
Total	728,206

We have a deep belief that our IVL best days are yet to come. It is reflecting in our individual development practices. Learning is in our DNA. We provide an opportunity for our people to learn something new, to build up essential skills for today and tomorrow, and to unleash the best within us. The experiential learnings are available in the different approaches for different purposes and needs. The approaches come in the form of Coaching, Mentoring, Job rotation & Stretch assignment, Specific development initiatives, and in-class Leadership development program. Some of the strategic development programs are highlighted in the following table.

On-Going Development	<ol style="list-style-type: none"> 1. V-Lead Fibers Business <ul style="list-style-type: none"> • 27 managements participate in the 9-month blended-learning approach designed to develop cross functional expertise 2. Shadow Development <ul style="list-style-type: none"> • 18 high potential middle managements participate in the unique co-developed program between IVL and the famous Business School in Thailand, Sasin meant to prepare the local talents
New Initiatives 2019	<ol style="list-style-type: none"> 1. V-Lead PET & Feedstock Business <ul style="list-style-type: none"> • With the successful launch of the V-Lead program for Fiber business, the company also start the same development initiative for 33 managements in PET and Feedstock segment this year with focus on specific analysis and strategy development of the segment 2. IBC Platform <ul style="list-style-type: none"> • The Indorama Business Council (IBC) is introduced forum where group 45 Senior Executives are given the possibility to discuss and shape the company future direction, throughout a highly interactive set-up 3. Learning choices through IVL Intranet <ul style="list-style-type: none"> • The company promote learning opportunity with a leading MOOC platform (Massive Open Online Course), edX on company intranet which is available for our people to learn new skills and advance their careers 4. IVL Leadership Curriculum <ul style="list-style-type: none"> • The company launches “Leadership Curriculum” project which aims to develop existing and next-generation leaders globally starting from the senior executives to the 1st time junior managers • This year, we develop the common IVL Leadership skills profile and communicate to target group of 200 Global Leaders • The Leadership training curriculum will be implemented in the year 2020 onwards as a long-term development journey

4. Succession planning

In consultation with the NCCG committee, the Board and IMC reviews both the adequacy of the succession planning process and the individual development plan for the Group CEO and the Executive Board positions. The Company also invests in the development of every Leader across the organization-wide to ensure readiness and success of the future Leader by launching IVL Leadership Curriculum as shown in above section.

5. Compensation and Rewards

IVL's compensation system follows country-specific requirements, while our incentive program is linked by three components – the company, business unit, and individual. We also assess our compensation packages against industry standards either matching or exceeding them.

Employee Joint Investment Program (EJIP): Underway since 2017, this program allows participating employees to accumulate IVL shares on a monthly basis for a fixed period of time. The EJIP aligns the interests of employees with those of the Company's performance through share ownership.

Award for Excellence: The Award for Excellence inspires our employees to challenge boundaries to produce outstanding results and is based on stellar performance across 12 criteria, largely in the domains of finance, operations and sustainability. The best business units are identified by benchmarking their performance across the different criteria. These units are awarded at the Global Management Conference while cash incentives are also provided to employees of these units to recognize their excellent teamwork.

GCEO remuneration to average employee remuneration Ratio:

The ratio is as follows

	Remuneration 2019
GCEO (in 000 THB)	70,770.00
Average Employee Remuneration (in 000 THB)	1,209.37
Ratio	58.52

6. Human Rights

IVL respects the human rights of all of its workers and the local communities where we operate. In 2017, we formalized our commitment to the UN Guiding Principles on Business and Human Rights. We started a yearly global survey in 2015 on human rights, continue to work on action plans to mitigate perceived risks, and also engage with our suppliers on their commitment to address human rights issues. Our respective units have taken the initiative in getting SA8000 certification or its equivalent to ensure that there are no human rights violations across the organization.

7. Health and Safety

'Committed to Zero,' which targets having zero lost time injuries, is our top priority. Our senior leadership team believes in having a safe working environment across IVL and being a role model in showcasing how workplace safety is our top concern. We are working hard to achieve our goal of zero accidents in the workplace, as well as eliminating injuries and occupational illnesses across the organization. During the year, we further mechanized some of our operations, implemented rigorous safety line walks, strengthened the deployment of contractor safety management, and embraced digital interventions to reduce risks to our workforce.

8. Material Labor Disputes

Since our inception, IVL has never had any material labor disputes.

10. Sustainability and Corporate Social Responsibility

Sustainability remains a core commitment for Indorama Ventures in terms of our approach and values. We have a comprehensive strategy through structures and processes which are implemented by employees at all levels. Our long-term focus incorporates sustainability throughout the Company, and we continue to invest in opportunities that enhance our earnings and operations, and support our employees who have enabled us to move from better to best.

The Board oversees and advises on significant strategic activities and policies regarding sustainability practices and initiatives through the Sustainability and Risk Management Committee. Visit [Our Sustainability](#) to learn more about our commitments, strategy and governing structure.

Sustainability Strategy

Our sustainability strategy supports our vision of becoming a world-class chemical company making great products for society and is in-line with our business strategy and direction, demonstrating our commitment to the three most important areas for the company: Environment, Social and Governance.

Our goal is ensuring economic success and sustainability for all of our stakeholders. We measure our success not only by financial gains but through our achievements in preserving the environment, thereby benefiting society. IVL undertook several initiatives in 2019 that increase our focus on our long-term sustainability through recycling, lowering our carbon footprint, increasing use of renewable energy, and developing our human capital.

Environment – Responsible Operations

Our operations and products are focused on being environmentally-friendly, contributing to the circular economy, and reducing resource consumption and emissions to fight climate change.

Social - Empowerment Culture

Our respect for human rights, engagement, investments in capacity building, and creating shared value for our stakeholders demonstrates our commitment to achieving long-term success.

Governance – Business Potential

Our business is based on our integrity and ethical principles, driving customer experiences through our innovative products and moving forward in meeting societal needs for sustainable growth and leadership.

Sustainability Strategic Areas and Expected Outcomes



Key Sustainability Focus Areas

The focus areas and the strategic measures we adopt in terms of sustainability are based on a Materiality Assessment. In accordance with the GRI Standards, we are constantly evaluating material issues that have an impact on the sustainable development of the Company from both internal and external stakeholder perspectives.

In 2019, the materiality assessment process was extended to include more external stakeholders, such as customers, suppliers, bankers, investors and the media. Their feedback was incorporated and helped define the key material issues and focus areas for our sustainability management and reporting.

As a result of the assessment, our stakeholders and IVL consider the following to be the top economic, environmental and social issues:



Further details on the materiality assessment process, key material issues and performance on all material issues are provided in the 2019 Sustainability Report.

Throughout last year, we continued to develop exciting and innovative products, sustainable solutions for our customers, together with growing the business and increasing our productivity. Key advancements include:


- An increased focus on zero hazardous waste to landfill from our operations globally by initiating a process to evaluate and then minimize overall waste and hazardous waste, and undergoing external auditing and certification.
- Benchmarking internal ESG performance on a quarterly basis in addition to EHS which has become part of our quarterly MD&A.
- A thorough review and establishment of key 2025 sustainability targets focusing on operational eco-efficiencies in accordance with mega-trends and organic business growth.
- Adopting recommendations by the TCFD, IEA450, and World Economic Forum to develop initiatives on our climate change strategy and governance.
- Conducting a water sensitivity analysis using the AQUEDUCT Water Risk tool developed by the WRI to identify water stress locations.
- Increasing renewable energy consumption and completing 100% renewable electricity consumption at four of IVL's operating sites.

- Continuing to promote waste management, and the efficient use of renewable resources through increased reuse and recycling to support the circular economy.
- Adopting internal carbon pricing to encourage greater environmental awareness and consideration of mitigation measures in future business plans.
- Streamlining our sustainable product classification and methodology to improve its application with our product portfolio throughout the value chain.
- Continuing to reduce our environmental footprint by improving the environmental performance of our operations including targets for energy and water use, greenhouse gas (GHG) emissions and waste reduction.
- Leveraging environmental awareness and protection, and an understanding of the risks from climate change, greenhouse gas accounting, life cycle assessments, renewable energy sourcing, a carbon tax, water scarcity and conservation, and plastic waste.
- Progressively obtaining and maintaining Environmental Management Systems based on ISO 14001 certification, Energy Management Standards based on ISO 50001, Occupational Health and Safety Management Systems based on ISO 45001/OHSAS 18001 and international quality management standards, such as ISO 9001.
- Implementing a process safety approach and reporting system at all of IVL's operating sites.
- Ensuring the best ESG practices through human rights assessments in every context throughout the value chain including all vulnerable groups.
- Continually improving customer satisfaction through broader and more open communications channels that result in improved customer feedback.

Learn more about our sustainability initiatives, performance and metrics in our [2019 Sustainability Report](#).

Recycling PET – Trusted and Safe

At Indorama Ventures, we believe that recycled PET (rPET) is a new engine for growth. We understand that there is considerable pressure on plastics and that many people around the world want a sustainable environment for future generations. Amid the challenges, there are also tremendous opportunities with PET, which is a 100% circular, recyclable plastic with a lower carbon footprint than other packaging materials such as glass and aluminum.

	<p>Our 2025 commitment and future strategy</p> <p><i>The PET produced by IVL is 100% recyclable. As part of our recycling efforts, we made a global commitment to incorporate 750,000 tons of post-consumer PET materials as feedstock into our polyester production, with an investment of USD 1.5 billion by 2025. This commitment is just the start of our journey, generating value from collected PET and promoting zero plastic in the environment.</i></p>
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Our recycling strategy

Our recycling strategy is focused on strengthening our capability to increase recycling rates globally, contributing to a circular economy, and ensuring a fully closed loop. We will build on our leadership position as the largest virgin PET producer and remain a leader in rPET. As a leading recycler in Europe, North America and Asia, we have a competitive advantage in rPET through our global footprint, 30 years of recycling expertise, and strong partnerships across the circular value chain.

We are actively working with the European Union to reduce plastic waste as part of their Single-Use Plastic Directive and will remain at the forefront of recycling plastic waste and adopting business models that reinforce circular processing.

50 Billion Bottles Recycled

In the last decade, we recycled around 50 billion bottles but plan to recycle much more. In 2019 alone, we recycled over nine billion, or over 200,000 tons of post-consumer PET bottles.

We count the numbers of bottles recycled on a real-time basis. Visit our [recycling site](#) to see the numbers of bottles recycled to date, and learn more about our recycling business, products, and the different initiatives underway.

We strongly support the global efforts underway to achieve the UN Sustainable Development Goals (SDGs). Our recycling efforts are particularly focused on addressing the following SDGs:



PET, a valuable resource

While PET has several economic, environmental, and social advantages, and is 100% recyclable, the mismanagement of PET after its use – leading to accumulation in landfills and oceans – is causing concerns globally.

While mismanagement of plastic resources has become a major emerging risk and ecological concern for the industry, it also presents significant opportunities, especially after China and several other countries took the bold step of banning imports of plastic waste in a move to protect their environments. The ban acted as a catalyst for companies around the world to change consumer behavior and gave

rise to more effective recycling. Exporters are likely to be forced to expand their domestic recycling infrastructure as well as cut the levels of waste being produced. Furthermore, the lifecycle benefit of PET is well-established, and improved waste collection rates will mean an increase in recycling rates worldwide. PET, therefore, remains the standard in further promoting circular processing business models.

Recycling for circularity and closing the loop

We are increasing our investments in recycling plants globally to close the loop, encouraging the end-use of recycled PET and delivering a circular economy for beverage packaging. IVL's global reach also provides the opportunity to demonstrate our leadership in innovations, bringing to market our own game-changing products, specialized solutions and High Value-Added (HVA) products. With a strong foundation in the PET market, we can tap into vast opportunities worldwide delivering the highest value to both existing and new customers, and creating long-term value for our stakeholders.

In 2011, our rPET resin production was roughly 3,576 tons, but by 2019, it had grown exponentially to about 206,996 tons. During this period, we recycled around 50 billion bottles. This works out to 1.1 million tons of plastic waste not going to landfill, which would cover a span of 514 football fields, a 1.65 million ton carbon footprint reduction, and a savings of more than three million barrels of crude oil.

rPET demand driven by brand owners

Many brands have set clear targets to increase rPET consumption in their beverage packaging. They likewise recognize the value of PET, not just from an economic point of view, but from a broader sustainability perspective. Therefore, PET, with the right collection and recycling infrastructure, will continue to be the market leader in beverage packaging. Progress in increasing rPET content has already been made to-date in commercial beverage products, demonstrating that brands have invested in making their rPET targets a reality. This presents a huge opportunity for us as many of these brands are major IVL customers.

Task Force on Climate-Related Financial Disclosures (TCFD)

IVL has considered, as suggested by the TCFD, identifying physical risks and transition risks in order to develop appropriate mitigation measures. We developed an internal carbon pricing tool to evaluate the financial impacts across our business from current and scheduled carbon markets. In addition, a variety of tools has been used to monitor and mitigate the risks, such as:

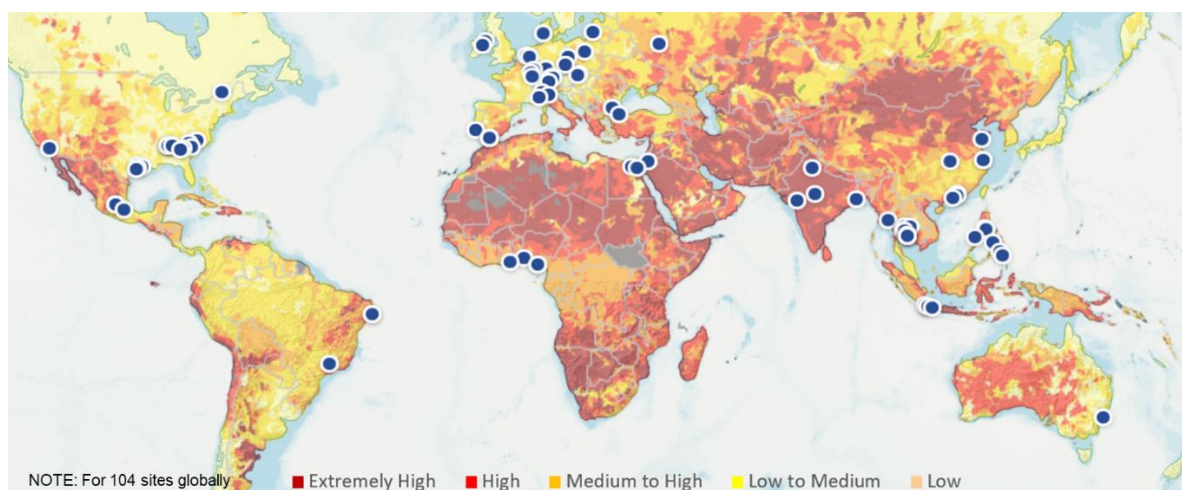
- The WRI Aqueduct Water Risk Atlas to examine current and projected climate-related issues such as flooding, drought, water vulnerability, etc.
- The Climate Resilience Evaluation & Awareness Tool (CREAT) and Climate Information Portal (CLIPC), to assess the risk of sea level rise.

We also conducted a high-level study based on the Intergovernmental Panel on Climate Change (IPCC)'s Fifth Assessment Report (AR5) on changes in regional weather phenomenon and changes in annual mean temperatures up to 2035.

Water Risk Analysis

IVL applied the WRI Aqueduct Water Risk Atlas, one of the most internationally accepted water risk tools, which allows us to examine current and future projected climate-related water risks such as flooding, drought, and water vulnerability. We conducted water sensitivity analysis using this aqueduct tool to identify levels of water stress in areas where our plants are located. This analysis took into account the degree of water withdrawal and water availability in the areas concerned.

2019 water sensitivity analysis using the WRI AQUEDUCT Water Risk tool



Summary:

13% of operations in **Extremely High** Water Stress Areas
15% of operations in **High** Water Stress Areas

26% of operations in **Medium to High** Water Stress Areas
14% of operations in **Low to Medium** Water Stress Areas
32% of operations in **Low** Water Stress Areas

The results were analyzed and the necessary mitigation measures were undertaken, including the construction of water treatment plants, achieving zero liquid discharge and increased rainwater harvesting.

Awards and Recognitions

Indorama Ventures assures **independent external sustainability assessments and evaluations** of our sustainability performance through participation in various worldwide recognitions such as the Dow Jones Sustainability Indices (DJSI), CDP, FTSE4Good, MSCI, Sustainalytics and EcoVadis, among others.

Our **achievements and recognitions** speak to the focused efforts of management, together with the outstanding commitment and efforts of our employees. It is important that we build on these successes and continue to aspire be “**a world-class chemical company making great products for society.**” The following are some of our key sustainability achievements:



Indorama Ventures was **recognized in SAM's Sustainability Yearbook 2020 with the Silver Class distinction** and was listed in the **Dow Jones Sustainability World and Emerging Markets Indices (DJSI)**. We were **ranked second** among the top global chemical companies.

This inclusion confirms our excellent performance among the world's leading companies in the chemicals sector and our commitment to leadership in sustainability.



Indorama Ventures **achieved a B Rating** in the **CDP's Climate Change Assessment in 2019** and **B- (B Minus)** in the **CDP's Supply Chain Assessment in 2018**.

The CDP's international platform measures, discloses, manages and shares vital environmental information in order to prevent climate change, value natural resources, and encourage a sustainable supply chain.



Indorama Ventures **remains a constituent of the FTSE4Good Index Series** following the **December 2019 index review**.

We received a **Best ESG score** and stand at the **top of the group with a 100% percentile rank**.

The index is designed to measure the performance of companies demonstrating strong and excellent Environmental, Social and Governance (ESG) practices based on publicly available data.



In 2019, Indorama Ventures **achieved Gold Recognition, ranking in the top 3% of companies** rated by EcoVadis in the **manufacture of basic chemicals**.

The EcoVadis CSR Rating assesses global corporate sustainable procurements practices in four themes: Environment, Labor and Human Rights, Ethics, and Sustainable Procurement.



We **achieved the leading Bloomberg ESG disclosure score** among companies on the Stock Exchange of Thailand (SET50).

Bloomberg evaluates companies on an annual basis, collecting publicly disclosed ESG information provided by companies as well as through direct company contact.



Indorama Ventures was **graded BB for the ESG rating in 2019.**

MSCI is an independent provider of research-based indices and analytics. The research is conducted in order to facilitate the world's leading institutional investors in managing their portfolios.



Indorama Ventures achieved #3 percentile rank

The company is at medium risk of experiencing material financial impacts from ESG factors, due to its medium exposure and strong management of material ESG issues. Furthermore, the company has not experienced any significant controversies.

Sustainalytics ESG Ratings measure how well companies proactively manage the environmental, social and governance issues that are the most material to their business.



Indorama Ventures received the 2019 **Thailand Sustainability Investment (THSI) Award** for the fifth consecutive year.

Further information is available at our [external sustainability ratings site](#).

11. Internal Control and Risk Management

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

The Company’s in-house Internal Audit Department (“IAD”) reports to the AC. The IAD is responsible for reviewing the adequacy and effectiveness of the Company’s internal control systems for IVL and its subsidiaries. The department reports its findings and recommendations to the management and the AC. The internal control reviews are performed to ensure the existence of an effective system of internal controls that provides reasonable assurance for achievement of the Company’s objectives. Risks at all levels of the Company are managed through an effective internal control system and documented in IVL’s Internal Control System Evaluation Form of Sufficiency.

The Board of Directors of the Company in Meeting No. 1/2020 held on January 16, 2020, which was attended by all members of the AC, considered the recommendations of the Committee, evaluated its opinion on the internal control systems of the Company and its subsidiaries for 2019 and found the internal control systems to be adequate. The internal control systems in use at the Company generally conform to the internal control model as advocated by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”). The summary of IVL’s internal control systems in-line with the COSO framework is detailed below:-

Control Environment

IVL prepares annual and five-year business plans which are approved by the Board of Directors. These plans form the basis of arriving at employee goals and objectives at all the operating units and the steps to be followed to achieve the Company’s objectives. These objectives are reviewed from time to time. The Company has a well-structured organization in place that delineates the individual’s responsibility for key businesses and other functions. All employees have been provided the IVL Policies Handbook which contains all the policies that facilitate in improving the control environment. IVL has detailed Code of Conduct, namely the Code of Conduct for Directors, and the Code of Conduct for Employees. These Codes of Conduct are applicable to all Directors and Employees of Indorama Ventures PCL and its subsidiaries and affiliates. The Code of Conduct for the Company has been announced to all employees and is signed off by them. All new employees are provided with a copy of the Code of Conduct as part of their orientation program and their agreement is obtained. All employees are required to sign the Code of Conduct in case of any revision in the code. The Code of Conduct for employees and Directors is published on the website of Indorama Ventures Public Company Limited.

The Company has a Policy on Internal Information Control and Use of Insider Information to regulate the conduct of all directors, executives and employees in keeping the Company's information confidential and not to divulge any confidential information with the aim of benefitting themselves or other persons, directly or indirectly. The Anti-Corruption Policy has been implemented by IVL to conduct the Company's global business operations honestly, fairly, without corruption or bribery, and with accountability. These policies are also published on the website of Indorama Ventures Public Company Limited.

Risk Assessment

IVL has a Sustainability and Risk Management Committee ("SRMC"). The Company's SRMC reviews the Company's performance on sustainability, assesses the risks associated with aspects on sustainable development and appraises the Board of risks with potentially significant impacts to ensure the institutionalization of robust business processes, procedures and policies. In addition, there is an effective process to evaluate and advise the Board on significant risks and uncertainties that could adversely impact sustainable and profitable growth. The Committee reports to the Board periodically on its activities and evaluates its performance on an annual basis by reference to its charter and current best practices.

Respective business heads, who are members of the SRMC, also closely monitor key business risks. The Committee reviews the sensitivity analysis of the business plan, green field and M&A projects.

Control Activities

IVL operating units have policies and procedures with regard to general management, procurement, sales and marketing, and the financial activities for all its units. These, together with the financial authority manual, ensure that adequate controls and checks are exercised by management to operate efficiently and to mitigate the risk of fraud or misappropriations. There is an adequate segregation of duties with respect to the authorization, recording and custody of assets at all the 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. Under the said regulations of the SEC/SET, depending on the size of the transaction, a new connected transaction is reviewed by the AC and recommended to the Board for its approval. Every quarter, a statement of all connected transactions is submitted to the AC 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. The minutes of subsidiary units are provided at each quarterly meeting of the Board. Compliance confirmation is obtained from the respective Plant Head confirming and / or informing the status of compliance with all applicable laws and regulations, and statutory filings are reported to the AC on a quarterly basis and to the Board on as and when needed basis. The Company has a Disaster Recovery Plan for IT processes to bring the IT system back to normal within a specified timeframe.

Information and Communications

The Company and the management ensures that adequate and sufficient information is provided to the Board for their review and consideration. The minutes of the meeting of the Board of Directors are prepared by the Company Secretary. The minutes cover all aspects of discussions 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 the AC Secretary fulfill any requirements or provide any information needed to provide assistance to the Directors as requested. IVL has a Whistleblower Policy which provides channels for employees to lodge any anonymous complaints. The website of the Company provides various communications 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 regulatory agencies. IVL provides a communications channel to external parties who may contact the Company's independent directors by sending an email to: independentdirectors@indorama.net or ethics@indorama.net

Monitoring

The annual operational and performance budgets of the Company 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 AC. In addition, the AC reviews the annual audited financial statements and makes recommendations to the Board for its consideration and approval. IVL Management evaluates the capability of the corporate internal control system on an annual basis and updates it accordingly to reflect the evolving needs of the business.

The Company's in-house IAD formulates the annual internal audit plan which is approved by the AC. The risk-based audit plan considers several risk factors and the results of previous internal audit reviews. The annual Internal Audit plan is also discussed with Senior Management of the Company and ultimately approved by the AC. The IAD reviews the internal control system throughout the various business processes and across all subsidiaries according to its Annual Internal Audit Plan. The deficiencies noted and recommendations made are communicated to the parties responsible for implementation through the internal audit report. The significant audit findings are presented to the AC on a half-yearly basis. From time to time, the AC also reviews a management letter from the external auditors. The AC also periodically reviews the status update on the implementation of outstanding recommendations. The IAD has rolled out the Control Self – Assessment Questionnaires (CSAs) for 5 business processes to IVL and its subsidiaries and affiliates. In due course of time IAD will roll out the CSAs for 4 more business processes. The IAD reviews the CSAs as completed by the business units and reports on their compliance to the AC. The CSA approach will further facilitate the "Risk Awareness Culture" among employees working across all IVL entities.

Head of Internal Audit and Head of Corporate Compliance**1. Head of Internal Audit**

The Company has its own Internal Audit Department, Internal Audit Manual and Internal Audit Charter. The AC has the authority to approve the appointment, transfer and dismissal of the Head of Internal Audit. Mr. Narayanaswamy Subramanian heads the Internal Audit Department at IVL.

2. Head of Corporate Compliance

The Company has appointed the Company Secretary, Mr. Souvik Roy Chowdhury, as the Head of Corporate Compliance in order to review and evaluate the various statutory and corporate compliances for all business units and to ensure that they are in accordance with the applicable rules, 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 31st December 2019:-

Connected Party & Relationship	Type of Transaction	(Amount in MB)		
		2017	2018	2019
PT. Indo-Rama Synthetics Tbk., Indonesia (PTIRS) <ul style="list-style-type: none"> The majority shareholding in PTIRS is ultimately controlled by a Trust in which Mr. Sri Prakash Lohia¹ and his immediate family members are the discretionary beneficiaries. Mr. Sri Prakash Lohia¹ is the President Commissioner and Mr. Amit Lohia¹ is a Vice President Commissioner of PTIRS. 	Sale of raw materials/ products/ services/ utilities	1,699.70	1,778.54	1,547.92
	Purchase of raw materials/ products/ services/ utilities	1,628.35	2,133.94	2,552.35
PT. Indorama Petrochemicals, Indonesia (PTIP) * From January 2019, PTIP has become an indirect wholly-owned subsidiary of IVL and thus no longer a connected party.	Sale of raw materials/ products/ rendering of services	4.67	522.13	0
	Purchase of raw materials/ products/ services	7,320.57	9,234.25	0
Indorama Eleme Petrochemicals Ltd., Nigeria (IEPL) <ul style="list-style-type: none"> The majority shareholding in IEPL is ultimately controlled by a Trust in which Mr. Sri Prakash Lohia¹ and his immediate family members are the discretionary beneficiaries. Mr. Sri Prakash Lohia¹ is the Chairman and Mr. Amit Lohia¹ is a Director of IEPL 	Purchase of utilities/ services	88.67	64.05	54.78
Pacific Resources Ltd., Thailand Mr. Anuj Lohia, a son of Mr. Alope Lohia ² , is a major shareholder of Pacific Resources Ltd.	Service expense (Office Lease)	7.70	8.20	8.40
Cryoviva (Thailand) Ltd., Thailand Mr. Alope Lohia ² is an indirect shareholder of Cryoviva (Thailand) Ltd.	Service income	1.13	0.93	0.93

Connected Party & Relationship	Type of Transaction	(Amount in MB)		
		2017	2018	2019
PT. Irama Unggul, Indonesia (IU) <ul style="list-style-type: none"> The majority shareholding in IU is ultimately controlled by a Trust in which Mr. Sri Prakash Lohia¹ and his immediate family members are the discretionary beneficiaries. Mr. Sri Prakash Lohia¹ is the President Commissioner of IU 	Service expense (Office Lease)	1.23	1.06	1.02
Lohia Global Holdings Limited, Hong Kong-China Lohia Global Holdings Limited is owned by Ms. Shruti Lohia, a daughter of Mr. Sri Prakash Lohia ¹ .	Service expense (Royalty Fee for Indorama trade name)	184.47	165.51	175.44
Vega Aviation Limited, British Virgin Islands Vega Aviation Limited is a company which is 100% owned by Canopus International Limited, Mauritius. Canopus International Limited is a company in which Mr. Alope Lohia ² and his immediate family have voting rights of up to 76% and an equity interest of up to 50% while the remaining voting rights of 24% and 50% of the equity interest is ultimately controlled by a Trust in which Mr. Sri Prakash Lohia ¹ and his immediate family members are the discretionary beneficiaries.	Service expense (Aircraft Lease)	94.84	80.81	77.61
Thai Plaspac Public Company Limited, Thailand (TPAC) <ul style="list-style-type: none"> Mr. Anuj Lohia, a son of Mr. Alope Lohia², is a major shareholder in TPAC. Mr. Kevin Kumar Sharma, a son-in-law of Mr. Alope Lohia², is the CEO of TPAC. 	Sale of products	0.00	4.19	8.43
Yayasan Pendidikan Indorama, Indonesia (YP) The sole trustee of YP is Mr. Sri Prakash Lohia ¹ and Mr. Amit Lohia ¹ is Chairman of the Advisory Board of YP.	Service Expense (Job work)	17.42	14.91	9.29
PT. Tigadya Minergy, Indonesia The majority shareholding of PT. Tigadya Minergy is ultimately controlled by Mr. Sri Prakash Lohia ¹ .	Purchase of coal	0.00	102.80	235.24

Connected Party & Relationship	Type of Transaction	(Amount in MB)		
		2017	2018	2019
Indorama Industries Limited, India (IIL)	Sale of raw materials/ products/ services/ utilities	0	0	48.52
The majority shareholding in IIL is ultimately controlled by a Trust in which Mr. Sri Prakash Lohia ¹ and his immediate family members are the discretionary beneficiaries.	Purchase of raw materials/ products/ services/ utilities	0	0	39.51
IVL Foundation	Donation for various social, charitable, environmental protection, sports, healthcare and other related activities.	0	0	20
Mrs. Suchitra Lohia ³ and Mrs. Aradhana Lohia, a daughter of Mr. Alope Lohia ² and Mrs. Suchitra Lohia ³ , are the Chairman and Vice Chairman of the IVL Foundation.				

Remark ¹ Mr. Sri Prakash Lohia is the Chairman and a Non-Executive Director and Mr. Amit Lohia is a Non-Executive Director of Indorama Ventures Public Company Limited ("IVL");

² Mr. Alope Lohia is an Executive Director and GCEO of IVL;

³ Mrs. Suchitra Lohia is an Executive Director of IVL.

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.