

TAX REPORTING

We are committed to an open and principles-based approach towards taxation, being transparent in our economic contributions, and providing clarity in our reporting.

Overview of the Indorama Business

Indorama Ventures ('IVL') is a major global intermediate and downstream petrochemicals producer with 147 sites in 35 countries around the world (as of December 31, 2022). The constituent entities of IVL are engaged in providing value-added and differentiated products and services to several diversified consumer goods industries which serve common consumer needs in hygiene, improved lifestyle and safety.

Organization of the Indorama Business

The various constituent entities of the Indorama Group operate in three segments. These segments include:

- A. Combined PET;
 - Integrated Polyethylene Terephthalate ('PET') including the aromatic and PET value chain
 - Specialty Chemicals comprising of Purified Isophthalic Acid ('PIA'), Naphthalene Dicarboxylate ('NDC')
 - Packaging
- B. Fibers
- C. Integrated Oxides and Derivatives

CIT contribution for 2022

We provide our country-by-country report to the tax authorities in Mauritius, in line with the Base Erosion and Profit Shifting ('BEPS') Action Plan initiated by the OECD and enacted into the Mauritius legislation.

In-line with our continued efforts at transparency, we are providing information on the following Country-by-Country information. The information provided reflects a break-down of the 2022 Revenues, Profit (Loss) before taxes, Corporate Tax Accrued (Current year), Corporate Taxes Paid/(Refund) and the Number of IVL employees in the key countries and regions where IVL operates:

| Country * <i>THB Million</i> | Revenues (A) | Profit (Loss) Before Taxes (B) | Corporate Tax Accrued (Current Year) (C) | Corporate Tax Paid/ (Refund) (D) | No. of Employees (E) |
|---------------------------------|-----------------|--------------------------------------|---|---|----------------------------|
| United States | 193,208 | 8,874 | 1,141 | 1,434 | 3,503 |
| Brazil | 63,048 | 4,578 | 1,378 | 2,305 | 1,852 |
| India | 52,969 | 2,930 | 734 | 696 | 2,384 |
| Thailand | 40,191 | 9,017 | 902 | 862 | 3,681 |
| Mexico | 35,463 | 1,980 | 253 | 418 | 1,446 |
| Indonesia | 24,983 | 768 | 207 | 416 | 1,877 |
| Germany | 24,717 | (3,072) | 25 | (20) | 1,442 |
| Egypt | 23,847 | 4,625 | 134 | 33 | 775 |
| China | 23,023 | 1,913 | 484 | 548 | 1,885 |
| Spain | 22,745 | (536) | (233) | 86 | 273 |
| Netherlands | 22,560 | 2,622 | 570 | 755 | 255 |
| Canada | 14,709 | 3,628 | 590 | 59 | 138 |
| Poland | 12,860 | 802 | 172 | 226 | 476 |
| Turkey | 11,905 | 943 | 37 | 44 | 114 |
| Portugal | 10,388 | 384 | 20 | 177 | 166 |
| Italy | 9,978 | (1,122) | 44 | (16) | 708 |
| Nigeria | 9,423 | 1,009 | 336 | 479 | 116 |
| Other Countries | 60,248 | 761 | 343 | 406 | 4,649 |
| Total | 656,266 | 40,104 | 7,136 | 8,908 | 25,740 |

- (A) Revenue for each region/country excludes intercompany transactions
 (B) Profit (Loss) Before Taxes includes certain Accounting (Non-Taxable) Adjustments
 (C) Corporate Tax Accrued is the current tax expense recognized in the Year 2022.
 (D) Corporate Taxes paid (Refund) includes tax payments / refunds relating to previous years. The Corporate taxes paid also includes withholding taxes.
 (E) No. of employees reflects full time employees and does not include temporary staff / labor on contract basis
 * Other Countries represent less than 10% of all the above parameters.

The country-wise information tabulated above reflects the information in respect of all constituent entities of the organization that operate in the respective jurisdictions.

The difference between the corporate taxes paid and corporate tax accrued reported are caused by various factors including but not limited to certain provision to return adjustments and advance taxes paid.

Besides the corporate income tax stated above, the various constituent entities of the IVL Group also pays and bears other indirect form of taxes and duties such as custom and excise duties, sales taxes and others. These taxes are not included in the overview above.

Effective Tax and Cash Tax Reporting

Reconciliation of effective tax rate is explained in the following table:

| Reconciliation of effective tax rate | Consolidated financial statements | | | | |
|--|--|-------------------|--------------|-------------------|--|
| | | 2022 | | 2021 | |
| | <i>Rate</i> | | <i>Rate</i> | | |
| | (%) | (in million Baht) | (%) | (in million Baht) | |
| Profit before income tax expense | | 40,104 | | 34,957 | |
| Income tax using the Thai corporation tax rate | 20.00 | 8,021 | 20.00 | 6,991 | |
| Income tax reduction - deferred - other countries | | (363) | | (118) | |
| Effect of different tax rates in foreign jurisdictions | | (711) | | (537) | |
| Income not subject to tax and tax privileges | | (2,857) | | (1,523) | |
| Coupon payment on subordinated perpetual debentures recognised in equity | | (150) | | (150) | |
| Expenses not deductible for tax purposes | | 3,161 | | 1,220 | |
| Utilisation of previously unrecognised tax losses | | (188) | | (355) | |
| Recognition of deferred tax assets from previously unrecognised tax losses | | (2,491) | | (1,293) | |
| Current year losses for which no deferred tax asset was recognised | | 692 | | 328 | |
| Under provided in prior years | | 390 | | 197 | |
| Written-off unrecoverable deferred tax assets from loss carry forward | | 166 | | 1 | |
| Share of profit of joint ventures accounted for using equity method | | (77) | | (138) | |
| Foreign exchange differences arising from transaction of intercompany loans considered as part of net investment in foreign operations | | (89) | | 854 | |
| Change in recognition of temporary difference | | (171) | | 1,440 | |
| Others | | 441 | | (214) | |
| Total | 14.40 | 5,774 | 19.17 | 6,703 | |

The table below states the average reported effective tax rate as well as cash tax rate for IVL for the 2021 and 2022 period:

| Financial reporting | FY 2022 | FY 2021 | Calculated average rate |
|---|----------------|----------------|--------------------------------|
| Earnings before Tax | 40,104 | 34,957 | |
| Reported Taxes | 5,774 | 6,703 | |
| Cumulative acceptable adjustments (Refer Note) | 2,491 | 1,293 | |
| Effective Tax Rate (in %) | 20.61% | 22.87% | 21.66% |
| Cash Taxes Paid | 8,909 | 2,521 | |
| Cash Tax Rate (in %) | 22.21% | 7.21% | 15.23% |

Note:

The cumulative adjustment amount refers to the exclusion of deferred tax asset which have been created in the year 2021 and 2022 on Net Operating Losses ('NOLs'). These NOLs have been incurred outside of the two-year reported period.

The recognition of deferred tax asset on such NOLs contributed in reduction of overall ETR for the Year-end 2021 as well as 2022. Considering the same, the impact of above recognition of these deferred tax assets on past NOLs is excluded / removed in order to reflect the ETR which more appropriately corresponds to the profitability of the Group. This is documented in the IVL Annual Report on page 201 under Schedule 35 relating to Tax Expense (income). Further, the exchange rate used to convert the NOLs in USD is FY 2022: 1 USD = 35.0667 THB and FY 2021: 1 USD = 31.9996 THB. (Source: Average exchange rate as per Bank of Thailand)