



# **Sustainability and Risk Management Committee Charter**

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# **Sustainability and Risk Management Committee Charter**

## **1. Objectives**

Indorama Ventures and all of its subsidiaries and associates (the “Company”) believe that to sustain and grow stakeholder value over the long term it must actively consider the economic, environmental, and social contexts in which it operates as well as effectively manage the uncertainties and risks associated with its performance.

The Sustainability and Risks Management Committee (the “Committee”) shall serve the following objectives:

- 1.1. To evaluate and advise the Board of Directors (the “Board”) on significant strategic activities and policies regarding sustainability practices and initiatives. In addition, it shall aid management in establishing sustainability goals and strategy.
- 1.2. To evaluate and advise the Board on significant risks and uncertainties that could impact sustainable profitable growth. In addition, it shall aid management in embedding a prudent “risk culture” throughout the organization.

## **2. Composition and Appointment**

- 2.1. The members of the Committee are appointed by the Board.
- 2.2. The Committee shall consist of such number of members, as may be appointed by the Board from time to time, out of whom at least two (2) members must be independent directors.
- 2.3. The chairperson of the Committee shall be the Group Chief Executive Officer or alternatively a designate of the Board.
- 2.4. A member of the Committee may resign from the Committee before the expiry of the term. The Board may decide to appoint a new member to fill the vacancy.
- 2.5. The Committee may form subcommittees such as Sustainability and Risk Management Business Core Committees and Plant Level Committees representing all business segments and plants, Innovation Councils representing the research and development, innovation of respective business segments, Corporate Social Responsibility Committee to take up corporate social responsibility and philanthropic activities of the Company.

## **3. Qualifications**

The Committee members must be Directors and Senior Executives of the company.

## **4. Roles and Responsibilities**

- 4.1. Sustainability Goals and Strategy: Ensure alignment between the management and the Board on the Company’s Sustainability goals and strategy.
- 4.2. Risk Management:
  - 4.2.1. To review the Company’s overall risk exposure and apprise the Board of risks with potentially significant impact.
  - 4.2.2. To ensure robust processes, procedures and policies are in place.

- 4.3. The Committee is authorized:
  - 4.3.1. To seek any information it requires in order to perform its duties, from any employee of the Company; and
  - 4.3.2. To obtain, at the Company's expense, external legal or other professional advice on any matter within its Charter.
- 4.4. Other Delegated Responsibilities: Perform such other duties and responsibilities as may be delegated to the Committee from time to time by the Board.
- 4.5. The Committee may delegate its authority to a subcommittee or to such other person that the Committee determines is appropriate.

## **5. Vacating Office**

- 5.1. Vacating office means to include termination of directorship, or expiration of the prescribed term of service, or resignation, or removal, or deceased.
- 5.2. In the case that any Committee member wishes to resign before the expiration of his term of service, the member should endeavor to give early notice to the company.

## **6. Term of Service**

The term of office of the Members of the Committee shall be two (2) years, with the possibility of reappointment after the expiry of their term.

## **7. Meetings**

### **7.1. Agenda**

An agenda of each meeting should be clearly determined in advance, and documents supporting the meeting should be delivered to the members of the Committee a reasonable period in advance in order to provide time for consideration of the matters or to request additional supporting information.

### **7.2. Frequency of Meetings**

- 7.2.1. The Committee shall meet with such frequency and at such intervals as it shall determine necessary to carry out its duties and responsibilities, but in any case, at least two (2) times per year.
- 7.2.2. The Sustainability and Risk Management Business Core Committees and Sub-Committees at the Plant or Regional level shall meet at least (4) four times annually, and more frequently as they deem necessary.

### **7.3. Attendance, Quorum and Voting**

- 7.3.1. The quorum for a meeting of the Committee will be a simple majority of the full Committee.
- 7.3.2. The Committee may extend an invitation to persons who are not Members of the Committee to attend all or part of any meeting which it considers appropriate.

### **7.4. Minutes**

The Secretary to the Committee shall prepare the minutes of meetings and submit to the Committee.

## **8. Annual Review/Self-Assessment**

The Committee shall evaluate its performance on an annual basis by reference to this charter and current best practices. The Committee's Charter shall be reviewed periodically and updated as required with the consent of the Board.

## **9. Reporting**

The Committee shall report on its activities to the Board on a periodic basis and to the Shareholders on the Annual Report.