

## 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 125 sites in 33 countries around the world (as of December 31, 2021). 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 2021

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 2021 revenues, Profit (Loss) before taxes, Corporate Tax Expense (Income), Corporate Taxes Paid (Refund) and the Number of IVL employees in the key countries and regions where IVL operates:

Country * THB Million	Revenues (A)	Profit (Loss) Before Taxes (B)	Corporate Tax Expense (Income) (C)	Corporate Taxes Paid (Refund) (D)	No. of Employees (E)
United States	151,614	6,342	1,585	(1,247)	3,286
India	38,119	2,407	42	412	2,619
Thailand	36,722	5,854	549	269	3,814
Mexico	23,525	1,770	616	292	1,176
Indonesia	22,104	1,579	523	284	1,821
Germany	20,712	(632)	(195)	160	2,098
Spain	19,347	1,749	432	368	288
Netherlands	17,110	954	386	512	247
Brazil	16,270	4,590	556	596	545
China	16,913	1,951	540	364	1,894
Egypt	13,094	1,265	0	26	793
Turkey	10,120	1,178	16	3	108
Canada	9,729	1,831	595	-	140
Poland	9,188	771	143	138	233
Italy	7,536	173	38	46	601
Portugal	7,091	698	159	(2)	164
Nigeria	6,983	1,564	557	172	172
Denmark	5,364	345	63	58	208
Czech Republic	2,429	(42)	5	-	1,325
Other Countries	34,139	610	93	71	2,134
<b>Total</b>	<b>468,108</b>	<b>34,957</b>	<b>6,703</b>	<b>2,521</b>	<b>23,666</b>

- (A) Revenue for each region/country excludes intercompany transactions  
 (B) Profit (Loss) Before Taxes includes certain Accounting (Non-Taxable) Adjustments  
 (C) Corporate Tax Expense (Income) includes Deferred Tax Expense (Income)  
 (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 expense reported are caused by various factors including but not limited to certain provision to return adjustments, deferred tax accounting stemming from IFRS adjustments, timing differences or loss carry forwards.

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			
		2021		2020
	Rate %	(in million Baht)	Rate %	(in million Baht)
Profit before tax expense (income)		34,957		1,557
Income tax using the Thai corporation tax rate	20.00	6,991	20.00	311
Income tax reduction - deferred - other countries		(118)		(66)
Effect of different tax rates in foreign jurisdictions		(537)		(677)
Income not subject to tax and tax privileges		(1,523)		(931)
Coupon payment on subordinated perpetual debentures recognised in equity		(150)		(150)
Expenses not deductible for tax purposes		1,220		880
Utilisation of previously unrecognised tax losses		(355)		(374)
Recognition of deferred tax assets from previously unrecognised tax losses		(1,293)		(2,221)
Current year losses for which no deferred tax asset was recognised		328		451
Under provided in prior years		197		41
Written-off unrecoverable deferred tax assets from loss carry forward		1		677
Share of profit of joint ventures		(138)		(55)
Foreign exchange differences arising from transaction of intercompany loans considered as part of net investment in foreign operations		854		82
Gain on bargain purchase		-		(410)
Change in recognition of temporary difference		1,440		1,353
Others		(214)		(154)
<b>Total</b>	<b>19.17%</b>	<b>6,703</b>	<b>-79.83%</b>	<b>(1,243)</b>

The table below states the average reported effective tax rate as well as cash tax rate for IVL for the 2020 and 2021 period:

Financial Reporting	FY 2021	FY 2020	Calculated Average Rate
Earnings before Tax	34,957	1,557	
Reported Taxes	6,703	-1,243	
<b>Cumulative acceptable adjustments (Refer Note)</b>	1,293	2,221	
<b>Effective Tax Rate (in %)</b>	<b>22.87%</b>	<b>62.81%</b>	<b>24.58%</b>
Cash Taxes Paid	2,521	1,314	
<b>Cash Tax Rate (in %)</b>	<b>7.21%</b>	<b>84.39%</b>	<b>10.50%</b>

Note:

The cumulative adjustment amount refers to the exclusion of deferred tax asset which have been created in the year 2020 and 2021 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 2020 as well as 2021. 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 referred in the IVL Annual Report 2021 under note to financial statements no. 34 relating to Tax expense (income), page 286.