

## Appendix 4

1. Board of Directors Charter
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# **Board of Directors Charter**

(Originally approved in the Board of Directors Meeting No.5/2009 dated August 28, 2009)

(Revision 7, approved in the Board of Directors Meeting No.1/2021 dated January 26, 2021)

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# Board of Directors Charter

## 1. Composition

- 1.1. The Company's Board of Directors shall consist of at least five (5) directors and not less than half of all directors shall be resident within the Kingdom of Thailand.
- 1.2. The Company's Board of Directors shall consist of at least three (3) independent directors. Not less than one-third of the Board's total composition shall be independent directors.

## 2. Qualifications

### 2.1. Executive and Non-Executive Directors

- 2.1.1. Meet the stipulations under the different regulations and those prescribed by the Company's Articles of Association.
- 2.1.2. Have at least a Bachelor's Degree in any field.
- 2.1.3. Be knowledgeable of the Company's business and provide adequate time and inputs to the benefit of the Company.
- 2.1.4. Be honest, with integrity and high moral standing.
- 2.1.5. The Non-Executive Director shall not take a position as a director in more than four (4) other listed companies.

The Executive Directors shall not take a position as a director in more than two (2) other listed companies or in any company having a conflict of interest with IVL. However, the Executive Directors can take up any number of Directorships in IVL Group companies including joint ventures.

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

### 2.2. Independent Directors

- 2.2.1. Meet the stipulations under the different regulations and those prescribed by the Company's Articles of Association.
- 2.2.2. Have at least a Bachelor's Degree in any field.
- 2.2.3. Be knowledgeable of the Company's business and provide adequate time and inputs to the benefit of the Company.
- 2.2.4. Be honest, with integrity and high moral standing.
- 2.2.5. On attaining the age of 72 ("Mandatory Retirement Age"), they shall not be eligible for election, re-election, appointment, or reappointment as a member of the Board of Directors; provided however that in case such director has been elected, re-elected, appointed or reappointed prior to the Mandatory Retirement Age, he/she shall continue to complete his/her current term of directorship.

- 2.2.6. The directors shall not take on a position in more than four (4) other listed companies.

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

- 2.2.7. Other Qualifications of Independent Directors

The Independent Director of the Company shall also meet the qualifications as specified in the Notification of the Capital Markets Supervisory Board including its future amendments.

### **3. Roles and Responsibilities**

- 3.1. To conduct their duties in compliance with the laws, objectives, articles of association and resolutions of shareholders' meetings with duty of care and duty of loyalty.
- 3.2. To formulate and approve the vision, strategies<sup>1</sup>, business directions, policies, targets, guidelines, plans of work and budget of the Company and its subsidiaries as prepared by management and oversee the administration and the performance of management or any persons assigned to do such work to ensure compliance with the policies set out by the Board of Directors.
- 3.3. To communicate and oversee, with management, to ensure that all entities have mechanisms for stakeholder engagement with the relevant policies and procedures to identify groups of stakeholders and to assess their impact on the business based on their respective concerns and expectations.
- 3.4. To follow-up on the outcome of work to ensure compliance with the Company's plan and budget on an ongoing basis.
- 3.5. To ensure that the Company and its subsidiaries adopt and set in place an appropriate, strong and effective accounting system including an internal control and internal audit system.
- 3.6. To review the risk management procedures and policies, and also follow up on results to ensure compliance with all applicable laws and standards, and that proper resources (including IT systems) are allocated for risk management plans.
- 3.7. To put in place the corporate governance policy and its effective implementation.
- 3.8. To appoint the sub-committees, such as Audit Committee, Nomination, Remuneration and Corporate Governance Committee, or any other sub-committees in order to assist the Board of Directors.
- 3.9. To appoint one of the independent directors as "the Lead Independent Director," in the event that the Chairman of the Board is not an independent director.

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<sup>1</sup> The board should work with management to ensure that the Company has strategies which will lead to its annual, medium-term and long-term objectives. In addition to financial factors, the Company's strategies and plans should take into account relevant factors influencing the value chain, including the Company's ecosystem, risks, resources, innovation creation, the use of technology, IT, competitiveness, and stakeholders.

- 3.10. To appoint senior executive positions at the Company such as the Chairman of the Executive Committee, Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer and any other senior officer deemed necessary; ensure that they receive continuous development and relevant training to effectively perform their duties.
- 3.11. To appoint the Company Secretary to assist the Board of Directors in its various activities to run the business in-line with the related laws and regulations.
- 3.12. To seek professional opinions from external agencies, if required, in order to take appropriate decisions.
- 3.13. To encourage directors and executives to attend the seminar offered by the Thai Institute of Directors Association (Thai-IOD) which is related to their duties and responsibilities.

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

#### **4. Vacating Office**

Aside from retirement by rotation, directors shall vacate office upon:

- 4.1. Death
- 4.2. Resignation
- 4.3. Loss of qualifications or disqualification under regulations and notifications of laws or the Articles of Association of the Company
- 4.4. Removal by a resolution passed by the meeting of shareholders
- 4.5. Removal by a court order

#### **5. Term of Service**

At every annual ordinary meeting of shareholders, one-third of the directors of the Company shall retire from office. If the number of directors cannot be divided into a multiple of three, the number of directors nearest to one-third shall retire. The retiring directors shall be entitled to be re-elected.

#### **6. Meetings**

The Board of Directors shall hold a meeting at least once every quarter for which the date of meeting shall be planned in advance and an extraordinary meeting shall be held if necessary.

##### **6.1. Agenda**

An agenda of each meeting will be determined in advance by the Company

Secretary in consultation with the Chairman of the Board. Documents supporting the meeting will be delivered to members of the Board of Directors at least seven days in advance in order to provide sufficient time for consideration of the matters raised or to request additional supporting information. When it is necessary to urgently preserve the Company's rights or benefits, a meeting may be called by other methods, and documents supporting the meeting can be delivered to members of the Board of Directors less than seven days in advance.

## **6.2. Frequency of Meetings**

6.2.1. Meetings of the Board of Directors should be held at least four times a year.

6.2.2. The Chairman of the Board may convene a special meeting on its own or if there is a request from a member of the Board.

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

A meeting schedule, including dates for the Board of Directors meetings for the coming year, will be circulated prior to the end of each year in order to ensure the maximum participation of all directors.

Directors are expected to attend at least 75% of the total Board of Directors' meetings.

The quorum for a meeting will comply with the public company act and preferably with 2/3 of the total number of the members of the Board of Directors. Voting during a meeting is made by a simple majority of those directors in attendance. A director who has interests in any matter shall not be entitled to vote on such matter.

## **6.4. Independent Directors Meetings**

The Lead Independent Director may call for a meeting attended only by independent directors at least once a year.

## **7. Sub-Committee**

The Board of Directors may appoint one or several sub-committees to take charge of reviewing specific and important points in order to assist the Board. The Board shall approve the sub-committee members, sub-committee charter setting out matters relevant to their composition, duties and responsibilities, and other matters relating to the sub-committee as the Board may consider appropriate. On an annual basis, the Board shall review the charter for each sub-committee.

## **8. Remuneration**

The Board of Directors provides authority to the Nomination, Compensation and Corporate Governance Committee to design and set up the policy for both monetary and non-monetary remuneration packages. The process for remuneration will be transparent, responsible and appropriate, and comparable with industry standards.

The Board shall undertake this responsibility in the absence of a Nomination and Remuneration Committee.

## **9. Self-Assessment**

The Board shall undertake an annual self-assessment of the Board performance with the requirements of the Charter. The Board will consider the results of the assessment for future improvements.



# **Audit Committee Charter**

(Originally approved in the Board of Directors Meeting No.5/2009 dated September 18, 2009, and  
Adopted at the Audit Committee Meeting No.1/2009 dated September 23, 2009)

(Revision 3, approved in the Board of Directors Meeting No. 6/2021 dated August 16, 2021)

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# Audit Committee Charter

## 1. Objectives

The Audit Committee is a Committee of the Board of Directors which assists the Board of Directors in fulfilling its oversight responsibilities for the financial reporting process, maintaining suitable, effective, and robust internal control and audit process, the company's process for monitoring compliance with laws and regulations and the code of conduct, and any other tasks as designated by the Board of Directors.

## 2. Composition and Appointment

- 2.1. The Audit Committee shall consist of at least three (3) independent members.
- 2.2. At least one (1) committee member must have sufficient knowledge and experience to review the reliability of the financial statements.
- 2.3. The Board of Directors or the shareholders meeting shall appoint members of the Audit Committee, who must be independent directors of the company.
- 2.4. When the term of service of a committee member expires or there is any circumstance causing any committee member to be unable to hold office until expiration of the term of service, thus reducing the number of the committee members to less than three (3) persons, the Board of Directors' meeting should appoint new committee member(s) to fill the vacancy(ies) within three (3) months from the date of vacancy(ies) in the Committee, to ensure continuity of the performance of work of the Audit Committee.
- 2.5. The Board of Directors shall select one (1) member of the Audit Committee to be Chairman of the Audit Committee.
- 2.6. A Secretary to the Audit Committee shall be appointed to assist the Audit Committee in performing work pertaining to the summoning of meetings, preparation of agendas, and delivery of supporting documents for the meetings and keeping of minutes.

## 3. Qualifications

A committee member must possess full qualifications according to the criteria as follows:

- 3.1. Being an independent director with full qualifications as per the definition of independent directors as specified by the notification of the Capital Market Supervisory Board and definition of independent director as per the charter of the Board of Directors.
- 3.2. Having sufficient knowledge and experience to conduct the duty as an audit committee member.

## 4. Roles and Responsibilities

- 4.1. The Audit Committee has the duties as delegated by the company's Board of Directors as follows:

## **A. Financial Statements**

- 4.1.1. to review the Company's financial reporting process to ensure that it is adequate, effective and sufficient;
- 4.1.2. to review material issues and exceptional items and obtain sufficient clarifications from the external auditors and the management
- 4.1.3. to review and approve the three quarterly (Q1, Q2 and Q3) interim financial statements with management and the external auditors before the same are published and filed with the regulators;
- 4.1.4. to review annual financial statements and recommending the same to the Board of Directors for their approval;
- 4.1.5. to review and approve the three quarterly (Q1, Q2 and Q3) interim Management Discussion and Analysis (MD&A) reports before the same are published and filed with the regulators
- 4.1.6. to review the annual Management Discussion and Analysis (MD&A) report and recommending the same to the Board of Directors for their approval;

## **B. Internal Control**

- 4.1.7. to review and assess the adequacy of the Company's internal control system with the Company's management, external and internal auditors.
- 4.1.8. to understand the scope of internal and external auditors' review of internal control and review the significant findings and recommendations along with the management responses.

## **C. Internal Audit**

- 4.1.9. to approve the appointment, transfer and dismissal of the Head of Internal Audit department.
- 4.1.10. to approve the annual audit plan and all major changes to the audit plan. Review the internal audit activity's performance relative to its plan.
- 4.1.11. to review the effectiveness of the internal audit function

## **D. External Audit**

- 4.1.12. to recommend the selection, nomination and dismissal of an independent person/entity to be the company's auditor, and to propose such person/entity's remuneration,
- 4.1.13. to attend a non-management meeting with the independent auditor at least once in a year;

## **E. Compliance**

- 4.1.14. to review the company's compliance with the law on securities and exchange, the regulations of the Stock Exchange of Thailand, and the laws relating to the company's business(es);

4.1.15. to obtain regular updates from management and company legal counsel/Head of Legal department regarding legal and compliance related matters

#### **F. Reporting Responsibilities**

4.1.16. to review and ensure disclosure in the company's annual report, an Audit Committee's report which must be signed by the Chairman of the Audit Committee and consist of at least the following information:

- (a) an opinion on the accuracy, completeness and credibility of the company's financial report;
- (b) an opinion on the adequacy of the company's internal control system;
- (c) an opinion on the compliance with the law on securities and exchange, the regulations of the Stock Exchange of Thailand, or the laws relating to the company's business;
- (d) an opinion on the suitability of an auditor;
- (e) an opinion on the transactions that may lead to conflicts of interests;
- (f) the number of the Audit Committee meetings, and the attendance at such meetings by each committee member;
- (g) an opinion or overview of the comments received by the Audit Committee on its performance of duties in accordance with the charter; and
- (h) other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors.

#### **G. Other Responsibilities**

4.1.17. to review the connected transactions, or the transactions that may lead to conflicts of interest, to ensure that they are in compliance with the laws and the regulations of the Stock Exchange of Thailand and the internal policy of the Company, and are reasonable and justified

4.1.18. to review the hedging transactions of the Company undertaken from risk management perspective and to ensure that they are in compliance with the internal policy of the Company, and are reasonable and justified

4.1.19. to review the measures taken by the Company for countering any anti-corruption and/or bribe as part of good Corporate Governance as per the guidelines of Thai Institute of Directors Association.

4.1.20. to provide their views on Acquisition and Disposition of Assets Transactions as required in the Schedule 1 and 2 of the Stock Exchange of Thailand, if they are different from opinions of the Board of Directors on such transactions;

4.1.21. to engage external agencies for soliciting professional opinions, if required.

4.1.22. to institute and oversee special investigations, as needed

- 4.1.23. to review and assess the adequacy of the committee charter annually, requesting board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.
- 4.1.24. to perform any other act as assigned by the Company's Board of Directors, with the approval of the Audit Committee
- 4.2. The Audit Committee is responsible to the Board of Directors according to the duties assigned by the Board of Directors.

## **5. Vacating Office**

- 5.1. Vacating from office means termination of directorship, or expiration of the prescribed term of service, or resignation, or removal.
- 5.2. In the case that any committee member wishes to resign before the expiration of his term of service, he should give a notice thereof to the company one (1) month in advance together with reason(s) there for so that the Board of Directors' can consider appointing another director who is fully qualified to replace the resigning member. The company shall also report such resignation to the Stock Exchange of Thailand.
- 5.3. In case that any committee member is removed before the expiration of his term of service, the company shall report such removal together with the grounds for such removal to the Stock Exchange of Thailand immediately. The committee member who is removed may also give explanation of the grounds for such removal to the Stock Exchange of Thailand.

## **6. Term of Service**

- 6.1. The term of service of a committee member shall be two (2) years from the date of appointment.
- 6.2. A committee member may be re-appointed for additional term(s) as the Board of Directors' may think fit.

## **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 Audit Committee for a reasonable period in advance in order to provide the members time for consideration of the matters or the request of additional supporting information.

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

- 7.2.1. Meetings of the Audit Committee should be held at least four (4) times in a year.

The meeting of the Audit Committee can be conducted via teleconference through electronic devices in accordance with rules, procedures and conditions as stipulated by the laws.

- 7.2.2. The Chairman of the Audit Committee may convene a special meeting of the Audit Committee if there is a request from a committee member, internal

auditor, external auditor or Chairman of the Board of Directors, in order to consider the issue(s) which must be jointly discussed.

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

- 7.3.1. The members of the Audit Committee should endeavor to attend every meeting of the Audit Committee.
- 7.3.2. The Audit Committee may, as it considers appropriate, request directors, management or other members of the company, the internal auditor or the external auditor to attend its meeting to discuss any particular matter.
- 7.3.3. The Audit Committee may invite to its meeting, or otherwise meet with legal counsel and other advisors when it is considered necessary and appropriate to discuss matters which have or may have material impact on the company's activities or financial statements.
- 7.3.4. The quorum for a meeting is more than half of the total members of the Audit Committee.
- 7.3.5. The minutes of meetings must specify the names of members and persons attending the meeting. Any member of the Audit Committee who has any interest in a matter shall refrain from expressing an opinion or voting on such matter in the meeting convened.

### **7.4. Minutes**

The Secretary to the Audit Committee shall prepare the minutes of meetings which must be submitted to the Audit Committee.

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

The Audit Committee shall, at least once in a year, review its own performance and charter to ensure that it is operating at maximum effectiveness, and recommend any changes it considers necessary to the Board of Directors for approval.

## **9. Reporting**

The Audit Committee shall, report on its activities to the Board of Directors, to the Shareholders in the Annual Report, and to the Authorities as required by the law.



# **Nomination, Compensation and Corporate Governance Committee Charter**

(Originally approved in the Board of Directors Meeting No.8/2011 dated September 12, 2011)

(Revision 4, approved in the Board of Directors Meeting No.7/2020 dated November 10, 2020)

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# Nomination, Compensation and Corporate Governance Committee Charter

## 1. Objective

The Nomination, Compensation and Corporate Governance Committee (“the Committee”) is a committee of the Board of Directors (“the Board”) which assists the Board in reviewing all policies under which directors are nominated, compensation is paid or awarded to the Company’s Group Chief Executive Officer (“GCEO”), Directors and oversees corporate governance in accordance with this charter.

## 2. Composition and Appointment

- 2.1. The Committee of the Board of Directors of the Company shall consist of a minimum of four independent directors.
- 2.2. The Board of Directors shall select one member of the Committee to be Chairman of the Committee. The Chairman must be an independent director.
- 2.3. When for any reason the Committee is reduced to less than four (4) persons, the Board of Directors shall appoint a replacement to fill the vacancy within three (3) months of the date of vacancy to ensure continuity of the Committee’s work.
- 2.4. The Committee may appoint one senior executive as an advisor to provide insight information about the company and management opinions to the Committee. The appointment may be disclosed in accordance with SET and SEC requirement.
- 2.5. A Secretary to the Committee shall be appointed to assist the Committee in performing work pertaining to summoning of meetings, preparation of agenda, delivery of supporting documents for the meetings and keeping of minutes, and other matters.

## 3. Qualification

The Committee members must be Directors of the company.

## Roles and Responsibilities

### Part 1

## 4. Nomination

The Committee shall have the following authority and responsibilities:

- 4.1. To determine the composition of the Board and its committees, and monitor and assess Board effectiveness.
- 4.2. To lead the search for and identify suitable candidates qualified to become members of the Board of Directors. The Committee shall select candidates with the highest personal and professional integrity, with demonstrated and exceptional ability and judgment and who shall be most effective, in conjunction with the other candidates and serving directors, in collectively serving the long-term interests of the shareholders.

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

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

- 4.3. To maintain a current Succession Plan for the Chief Executive Officer ("CEO") and ensuring the Company has an appropriate succession plan for senior executives.
- 4.4. To assist the Board in developing and evaluating potential candidates for executive positions, including the CEO.
- 4.5. To develop and to recommend to the Board of Directors for its approval, qualifications for director candidates, and to periodically review these qualifications.
- 4.6. To review the Board of Directors' Committee structure and to recommend to the Board, for its approval, directors to serve as members of each Committee, and as Committee Chairs. The Committee shall review and recommend Committee candidates annually and shall recommend additional Committee members to fill vacancies as needed.
- 4.7. To develop and recommend to the Board of Directors for its approval, a set of corporate governance principles. The Committee shall review the principles on an annual basis, or more frequently if appropriate, and recommend changes as necessary.
- 4.8. To develop and recommend to the Board of Directors for its approval, an annual self-evaluation process for the Board and its Committees. The Committee shall oversee the annual self-evaluations.
- 4.9. The Committee shall have the authority to delegate any of its responsibilities to subcommittees as appropriate.
- 4.10. The Committee shall have the authority to retain any search firm engaged to assist in identifying director candidates, and to retain outside counsel and any other advisors as the Committee may deem appropriate. The Committee shall have authority to approve related fees and retention terms.
- 4.11. The Committee shall report its actions and any recommendations to the Board and shall conduct and present to the Board an annual performance evaluation of the Committee.
- 4.12. The Committee shall review the adequacy of its charter as required and recommend any proposed changes to the Board for approval.

## **5. Key Practices**

The Committee has adopted the following key practices to assist it in undertaking the functions and responsibilities set forth in its Charter:

- 5.1. Director Nominee Qualifications and Process

- 5.1.1. The Committee's minimum qualifications and specific qualities and skills required for directors are set forth in the company's Board of Directors Charter.
  - 5.1.2. The Committee considers potential candidates recommended by current directors, Company officers, employees and others in the same manner regardless of the source of the recommendation.
  - 5.1.3. The company shall disclose information relating to directors and candidates as required by SET and SEC.
- 5.2. Method of Evaluating Board and Committee Effectiveness
- 5.2.1. The Committee will oversee a self-evaluation process as per the SET guidelines to be used by the Board and by its Committees to determine their effectiveness and identify opportunities for improvement. These self-evaluations should be done annually within the same timeframe each year. The Company Secretary will contact each director to survey opinions and suggestions.
  - 5.2.2. The Committee may appoint an external consultant to assist in setting guidelines and providing recommendations for a board assessment, or perform the assessment every three (3) years; and should disclose the appointment in the annual report.
- 5.3. The Company Secretary will work with the Committee Chairs and the Chairman of the Board of Directors to organize the survey. Following that, appropriate options for changes at either the Board or Committee level will be determined. At the Board and Committee meetings, time will be allocated to discuss the comments and reach decisions relating to actionable items.

## **Part 2**

### **6. Compensation**

The Committee shall evaluate and recommend to the Board of Directors' matters relating to executive and director compensation. In furtherance of this purpose, the Committee shall have the following authority and responsibilities:

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

- 6.4. The Committee shall have authority to retain such compensation consultants, outside counsel and other advisors as the Committee may deem appropriate. The Committee shall have authority to approve related fees and retention terms.
- 6.5. The Committee shall report its actions and any recommendations to the Board after each Committee meeting and shall conduct and present to the Board an annual performance evaluation of the Committee.

## **7. Compensation Principles**

The Committee individually reviews the performance of the executive directors, non-executive or independent directors and the GCEO and establishes or approves every compensation action for them. The Committee's purpose is to design and implement compensation programs to reward those officers for sustained performance and leadership excellence; to align their interests with those of our shareholders and to encourage them to remain with the Company for long and productive careers. The Committee also regularly evaluates the effectiveness of the different elements of the Company's overall executive compensation program. The elements of the Company's executive compensation program are described below.

- 7.1. The Committee relies upon its judgment in making compensation decisions, after reviewing the performance of the Company and carefully evaluating performance during the year against established goals, leadership, operational performance, responsibilities, career with the company, current compensation arrangements and long-term potential to enhance shareholder value.
- 7.2. The Committee does not adhere to rigid formulas or necessarily react to short-term changes in business performance in determining the amount and mix of compensation elements.
- 7.3. Each year, the Company provides information on the compensation paid to its GCEO, senior executives and directors.

## **8. Principles for Board Compensation**

- 8.1. In recommending to the Board the compensation and benefits for non-executive directors, the Committee will be guided by the following objectives:
  - 8.1.1. compensation should fairly pay directors for work required in a company of size and scope;
  - 8.1.2. compensation should, if possible, align directors' interests with the long-term interests of shareholders;
  - 8.1.3. the structure of the compensation should be simple, transparent and easy for shareholders to understand.
- 8.2. In implementing these goals, the Committee will recommend appropriate compensation for Independent, non-Executive and Executive directors to propose to the Board and shareholders for approval.

Compensation for Non-executive Directors and Independent Directors is inclusive of retainer fee and bonus.

## **9. Committee Compensation**

Compensation will be paid to directors serving on the Board's sub-committees - currently the Audit Committee, Nomination Compensation and Corporate Governance Committee and the Sustainability and Risk Management Committee. Such fees will be recommended to the Board and presented to the shareholders for approval.

### **Part 3**

## **10. Corporate Governance**

10.1. Besides duties detailed elsewhere in this documents, the Committee shall have the following duties with regard to corporate governance.

10.1.1. Formulation of a corporate governance policy for consideration and adoption by the Board, monitoring compliance with that policy, and reviewing and adapting it on a continuing basis as appropriate.

10.1.2. Coordinating the annual performance assessment of the Chairman of the Board, individual directors, the Board as a whole and Board Committees.

10.2. Ensure processes are in place for maintaining the integrity of the Company – the integrity of the financial statements, the integrity of compliance with law and ethics, the integrity of relationships with customers and suppliers, and the integrity of relationships with other stakeholders.

10.3. Ensure processes are in place for preventing and mitigating conflicts of interest for the best interest of the Company and its shareholders.

10.4. Ensure processes are in place for effective good governance, risk management, internal controls, and compliance.

## **11. Ethics and Conflicts of Interest**

11.1. The Committee shall monitor all directors, as well as officers and employees, to ensure they act ethically at all times and adhere to the Company's Code of Conduct as approved by the Board.

11.2. If actual or potential conflicts of interest arise for a director, the director shall promptly inform the GCEO and the Chairman of the Committee. The Committee shall resolve any such conflicts.

11.3. If a significant conflict exists and cannot be resolved, the director should resign.

11.4. The Committee shall resolve any conflict of interest question involving the GCEO, or any other director of the Company.

11.5. The Committee shall monitor that Directors, who are defined as connected persons, abstain from Board or Committee discussions, and do not vote on motions relating to the disposition of the connected transactions.

11.6. The Committee shall ensure that the Company has a corporate governance policy and will review such policy from time to time to ensure that it meets the standards expected of a global company.

## **12. Vacating Office**

12.1. Vacating office means to include termination of directorship, or expiration of the prescribed term of service, or resignation, or removal, or deceased.

12.2. 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.

## **13. Term of Service**

13.1. The term of service of a Committee member shall be two (2) years from the date of appointment.

13.2. A Committee member may be re-appointed for additional terms at the discretion of the Board of Directors.

## **14. Meeting**

### **14.1. 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.

### **14.2. Frequency of Meetings**

14.2.1. Meetings of the Committee should be held at least two (2) times a year.

14.2.2. The Chairman of the Committee may convene a special meeting of the Committee when there is good reason.

### **14.3. Attendance, Quorum, Voting**

The members of the Committee should endeavor to attend every meeting of the said Committee. The quorum for a meeting shall be a simple majority of the total number of members. A duly convened meeting of the Committee at which a quorum is present shall by a simple majority of those attending, be competent to exercise all or any of the authorities, powers, discretions vested in or exercisable by the Committee.

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

The Committee shall, at least once a year, review its own performance, charter and terms of reference to ensure that it is operating at maximum effectiveness, and recommend any changes it considers necessary to the Board for approval.

## **16. Reporting**

- 16.1. The Chairman of the Committee shall report formally to the Board of Directors on its proceedings after each meeting on all matters within its duties and responsibilities.
- 16.2. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its scope where action or improvement is needed.



# **Sustainability and Risk Management Committee Charter**

(Originally approved in the Board of Directors Meeting No.4/2013 dated August 8, 2013)

(Revision 2, approved in the Sustainability and Risk Management Committee Meeting  
No.1/2020 dated February 26, 2020)

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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.