

## Appendix 6

Board of Directors Charter, Audit Committee Charter, Nomination, Compensation and Corporate Governance Committee Charter, Sustainability and Risk Management Committee Charter, and Qualifications of Independent Directors





# **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)

## Table of Contents

Composition .....	1
Qualifications .....	1
Executive and Non-Executive Directors.....	1
Independent Directors .....	1
Roles and Responsibilities .....	2
Vacating Office.....	3
Term of Service.....	3
Meetings .....	3
Agenda.....	3
Frequency of Meetings.....	4
Attendance, Quorum and Voting .....	4
Independent Directors Meetings.....	4
Sub-Committee .....	4
Remuneration .....	4
Self-Assessment.....	4

# 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 4*

*(Approved in the Board of Directors Meeting No. 4/2023 dated August 15, 2023)*



## Table of Contents

Objectives .....	1
Composition and Appointment.....	1
Qualifications .....	1
Roles and Responsibilities.....	1
Vacating Office.....	4
Term of Service.....	4
Meetings .....	4
Agenda .....	4
Frequency of Meetings .....	4
Attendance, Quorum and Voting .....	5
Minutes .....	5
Annual Review/Self-Assessment .....	5
Reporting .....	5

# 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 three (3) 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**

*(As approved by the Board of Directors Meeting No.8/2011 dated September 12, 2011)*

*Revision 6*

*(As approved by the Board of Directors Meeting No. 4/2023 dated August 15, 2023)*

## **Table of Contents**

1. PURPOSE .....	1
2. COMPOSITION and APPOINTMENT .....	1
3. QUALIFICATION.....	1
4. TERM OF SERVICE .....	2
5. VACATING OFFICE.....	2
6. RESPONSIBILITY and AUTHORITY .....	2
7. MEETINGS .....	4
APPENDIX 1.....	5



# CHARTER

## Nomination, Compensation and Corporate Governance Committee

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### 1. PURPOSE

The Nomination, Compensation and Corporate Governance Committee (“the Committee”) is a committee of the Board of Directors (“the Board”) which supports the Board in discharging its responsibilities relating to the selection of members to the Board and for compensation of Board members and senior officers. The Committee also assists the Board in fulfilling its oversight responsibilities in relation to corporate governance.

### 2. COMPOSITION and APPOINTMENT

The Board appoints the Committee members who shall only be independent directors (qualifications defined in Appendix 1). The Committee shall consist of a minimum of three (3) independent directors. If for any reason a Committee member vacates office (per paragraph 5) and the Committee is reduced to less than three (3) persons, the Board 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.

#### a. Committee Chairperson

The Board appoints a member of the Committee to be Chairperson.

#### b. Committee Advisor

The Committee recognizes the value of management input and advice and will assign one senior executive as “Advisor” to assist the Committee in identifying key issues and providing management insight to enable the Committee to have a holistic approach in its deliberations. The “Advisor” shall be consulted in the formation of meeting agenda and shall be entitled and invited to participate in all Committee meetings (except in cases when there is a conflict of interest).

#### c. Committee Secretary

The Chairperson shall appoint a Secretary to the Committee whose responsibilities are summoning meetings, coordinating and preparing the agenda, preparing and delivering supporting meeting documents to Members, recording and safeguarding minutes of meetings and performing other matters deemed necessary by the Committee.

### 3. QUALIFICATION

The Committee members must be an independent director who possesses sufficient knowledge and experience in people and governance aspects of an organization.

#### **4. TERM OF SERVICE**

The term of service of a Committee member shall be two (2) years from the date of appointment. A Committee member may be re-appointed for additional term(s) by the Board.

#### **5. VACATING OFFICE**

Vacating office means terminating membership in the Committee. Vacating office may result from death or retirement/resignation/removal from the Board or resignation from the Committee only.

In the case that any Committee member wishes to resign from the Committee before the expiration of term of service, the member should provide a written notice to the company at least one (1) month prior to the resignation date.

#### **6. RESPONSIBILITY and AUTHORITY**

The following responsibilities and authority are assigned and granted to the Committee:

##### **a. Nomination and Selection of Directors**

- Leads the search for qualified individuals for election to the Board ensuring the Board has an appropriate mix of education, skills and expertise. Furthermore, the Committee shall adhere to the objectives of the Board Diversity Policy.
- Retains and terminates, at its discretion any search firm which is used to identify director candidates and has the authority to approve related fees and retention terms.
- Advises the Board on transitions in Board committees, e.g. selection process, re- election, retirement and termination.

##### **b. Succession Planning**

- Assists the Board in assessing senior leadership talent and evaluating succession planning of the Indorama Management Council (IMC)\*.

*\* IMC is the executive committee of the Company comprising of the Group CEO, CEO and senior executives.*

##### **c. Compensation**

- Approves the framework and principles of the compensation and benefits plans for the IMC\*.
- Reviews the process, principles and equity of determining annual compensation for the IMC\* including salary, bonus and equity/non-equity incentive compensation.

- Evaluates compensation for Board members and members of Board committees and provides a recommendation to the Board.

**d. Corporate Governance**

- Reviews/amends the Company's corporate governance principles and code of conduct policies and offers recommendations on material governance issues.

**e. Self Evaluation**

- Oversees and facilitates the annual self-evaluation process of the Board and its committees. The results of these evaluations shall be shared with the Board.
- Conducts an annual self-evaluation assessment of the Committee to determine the extent to which the Committee is performing in accordance with its charter. Enact measures where necessary to improve efficiency and effectiveness in the workings of the Committee.

**f. Reporting**

- Updates the Board on material issues and decisions arising from Committee meetings. This may be done by the chairperson or its designate.
- Prepares an annual report, signed by the chairperson, summarizing the activities and achievements of the Committee for the Company's Annual Report.

**g. Charter Review**

- Reviews the Committee's charter to ensure its relevance and its alignment with Board expectations. Presents proposed amendments to the Board for approval.

**h. Other Authority**

The Committee may perform further duties consistent with this Charter or which may be specifically assigned by the Board. To help facilitate matters the Committee is also authorized to:

- Seek information from any Indorama Management Council (IMC) member for the purpose of fulfilling its duties.
- Form and delegate authority to sub-committees comprising of one or more members of the Committee and/or senior leadership if deemed by the Committee as appropriate.
- Investigate any matter within the scope of its charter using internal or external resources at Company expense as the Committee deems necessary.

## 7. MEETINGS

Committee meetings shall be held at least two (2) times per calendar year. The Chairman of the Committee may convene additional meetings when necessary.

**a. Attendance**

Committee members shall endeavor to attend every Committee meeting. Participation may be in person or remotely via electronic communication. If the latter case, the methods, means and protocols shall comply with the electronic meeting law - Royal Decree on Teleconferences through Electronic Means - effective April 19, 2020.

**b. Quorum**

The quorum for a meeting shall be a simple majority of the total number of members in the Committee. A meeting may be duly convened when a quorum is formed.

**c. Voting**

Decisions on matters will be determined by a simple majority. In the event that there is a tie vote on a matter, the Chairperson does not have the authority to break the tie. In such case, the matter will be taken to the Board for a decisive vote.

**d. Agenda**

The agenda of each meeting should be clearly determined in advance. Documents supporting the meeting should be delivered to the Committee members within a reasonable period in advance allowing members sufficient time to review the matters and if necessary to request additional supporting information.

**e. Minutes**

The Secretary to the Committee is responsible for recording and preparing the draft of the proceedings of Committee meetings. The draft of meeting minutes shall be prepared for review and distributed to members of the Committee and its Advisor within one month of that meeting's date. The approval of these minutes shall be an agenda item at the next Committee meeting.

## APPENDIX 1

### QUALIFICATIONS OF AN INDEPENDANT DIRECTOR

Reference: Market Supervisory Board of The Stock Exchange of Thailand

1. Holds no more than 1 % of total voting shares\* including the shareholding of relatives
2. Is not or has never been the company's executive director, worker, employee, salaried consultant, or controlling parties\* unless it is at least two years since the person has held such position.
3. Is not related by blood or legally registered with other directors, executives, major shareholders, controlling parties, or persons who will be nominated as directors, executives, or controlling parties of the company or subsidiary.
4. Does not have nor has had relations with the company\* in a way that such relation may impede the person from having independent views. The person should not currently be nor will be a significant shareholder or controlling person for persons having business relations with the company\* unless it has been at least two years since the person has held such a position.
5. Is not or has never been the company's auditor\*. Also, the person should not be or will never be a significant shareholder, controlling person, or partners of the current auditor's auditing firm\* unless it has been at least two years since the person has held such a position.
6. Has neither currently nor in the past provided professional services, legal consulting, financial consulting services to the company with a fee more than THB 2 million per year\*. Also, the person should not currently be or has never been a significant shareholder, controlling person, or partners of current service providers unless it has been at least two years since the person has held such a position.
7. Is not currently a director appointed to represent the company's directors, major shareholders, or the shareholder related to major shareholder.
8. Is not currently operating under similar business nature and significant competition to the company or subsidiary; or is not a significant partner of the partnership, executive director, salaried worker, employee, or consultant; or holding more than 1% of voting shares of any other companies operating under similar business nature and significant competition to the company and subsidiary.
9. Is not influenced by any conditions which may impede the person from having independent views towards the company's operations.

\* *Including the parent company, subsidiary, affiliate, major shareholder(s), or controlling parties of the company*



# **Sustainability and Risk Management Committee Charter**

*(As approved by the Board of Directors Meeting No. 4/2013 dated August 8, 2013)*

*Revision 4*

*(As approved by the Board of Directors Meeting No. 4/2023 dated August 15, 2023)*

## **Table of Contents**

1. PURPOSE.....	1
2. COMPOSITION and APPOINTMENT.....	1
3. QUALIFICATION.....	1
4. TERM OF SERVICE .....	1
5. VACATING OFFICE.....	1
6. RESPONSIBILITY and AUTHORITY .....	2
7. MEETINGS .....	3

# CHARTER

## Sustainability and Risk Management Committee

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### 1. PURPOSE

The Sustainability and Risk Management Committee (“Committee”) is a committee of the Board of Directors (“Board”) which aims to ensure that the Company’s economic, social and environment interests are an integral part of its conduct and its business strategy.

### 2. COMPOSITION and APPOINTMENT

The Board appoints the Committee members. The Committee may consist of both independent directors and non-independent (executive or non-executive) directors; however, there shall be a minimum of two (2) independent directors. If for any reason a Committee member who is an independent director vacates office (per paragraph 5) and the Committee is reduced to less than two (2) independent directors, the Board 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.

#### a. Committee Chairperson

The Board appoints a member of the Committee to be Chairperson.

#### b. Committee Secretary

The Chairperson shall appoint a Secretary to the Committee whose responsibilities are summoning meetings, coordinating and preparing the agenda, preparing and delivering supporting meeting documents to Members, recording and safeguarding minutes of meetings and performing other matters deemed necessary by the Committee.

### 3. QUALIFICATION

A Committee member must be a member of the Board and possess sufficient knowledge and experience of sustainability and risk management to fulfill the responsibilities of the Committee.

### 4. TERM OF SERVICE

The term of service of a Committee member shall be three (3) years from the date of appointment. A Committee member may be re-appointed for additional term(s) by the Board.

### 5. VACATING OFFICE

Vacating office means terminating membership in the Committee. Vacating office may result from death or retirement/resignation/removal from the Board or resignation from the Committee only.

In the case that any Committee member wishes to resign from the Committee before the expiration of term of service, the member should provide a written notice to the company at least one (1) month in advance of the resignation date.



## 6. RESPONSIBILITY and AUTHORITY

The following responsibilities and authority are assigned and granted to the Committee:

### a. Sustainability Strategy

- Evaluates and recommends to the board for approval the Company's sustainability priorities for Recycling, Climate, Decarbonization, EHS, Human Capital Development, Human Rights, Ethical Business Practices, Corporate Social Responsibility, etc.

### b. Sustainability Indices and Metrics

- Monitors the Company's performance against selected external sustainability indices (e.g. alignment to UN's Sustainable Development Goals) and internal metrics.

### c. Diversity

- Reviews the Company's diversity and inclusion management and employee health and wellbeing.

### d. Stakeholder Engagement

- Reviews the Company's significant stakeholders and their material interests and review emerging trends in ESG and sustainability.

### e. Risk Management

- Evaluates and determines risk policies, strategies, practices and ensures the adequacy of processes and procedures in place to monitor and manage risks.
- Monitors key risk areas of strategic risk, business risk, operational risk and emerging risk.

### f. Self-Evaluation

- Conducts an annual self-evaluation assessment to determine the extent to which the Committee is performing in accordance with its charter. Enact measures where necessary to improve efficiency and effectiveness in the workings of the Committee.

### g. Reporting

- Updates the Board on material issues and decisions arising from Committee meetings. This may be done by the chairperson or its designate
- Prepares an annual report, signed by the chairperson, summarizing the activities and achievements of the Committee for the Company's Annual Report

### h. Charter Review

- Reviews the Committee's charter to ensure its relevance and its alignment with Board expectations. Presents proposed amendments to the Board for approval.

### i. Other Authority

The Committee may perform further duties consistent with this Charter or which may be specifically assigned by the Board. To help facilitate matters the Committee is also authorized to:

- Seek information from any Indorama Management Council (IMC) member for the purpose of fulfilling its duties.
- Form and delegate authority to sub-committees comprising of one or more members of the Committee and/or senior leadership if deemed by the Committee as appropriate.
- Investigate any matter within the scope of its charter using at the Company's expense resources from within the Company or from external sources as the Committee deems necessary.

## **7. MEETINGS**

Committee meetings shall be held at least two (2) times per calendar year. The Chairman of the Committee may convene additional meetings when necessary.

### **a. Attendance**

Committee members shall endeavor to attend every Committee meeting. Participation may be in person or remotely via electronic communication. In the latter case, the methods, means and protocols shall comply with the electronic meeting law – Royal Decree on Teleconferences through Electronic Means - effective April 19, 2020.

### **b. Quorum**

The quorum for a meeting shall be a simple majority of the total number of members in the Committee. A meeting may be duly convened when a quorum is formed.

### **c. Voting**

Decisions on matters will be determined by a simple majority. In the event that there is a tie vote on a matter, the Chairperson does not have the authority to break the tie. In such case, the matter will be taken to the Board for a decisive vote.

### **d. Agenda**

The agenda of each meeting should be clearly determined in advance. Documents supporting the meeting should be delivered to the Committee members within a reasonable period in advance allowing members sufficient time to review the matters and if necessary to request additional supporting information.

### **e. Minutes**

The Secretary to the Committee is responsible for recording and preparing the draft of the proceedings of Committee meetings. The draft of meeting minutes shall be prepared for review and distributed to members of the Committee within one month of that meeting's date. The approval of these minutes shall be an agenda item at the next Committee meeting.



# **Qualifications of Independent Directors**

(Originally approved in the Board of Directors Meeting No.2/2014 dated February 20, 2014)

(Revision 2, approved in the Board of Directors Meeting No.5/2022 dated November 16, 2022)

## Qualifications of Independent Directors

The Company has set the qualification of the Independent Directors of the Company as prescribed in the Notification of the Capital Market Supervisory Board Tor.Chor. 39/2559 Re: Application for and Approval of Offer for Sale of Newly Issued Shares as follows:

Independent Directors shall constitute not less than one third (1/3) of total number of Directors and all Independent Directors must satisfy the following qualification criteria:

1. Holding no more than 1 % of total voting shares\* including the shareholding of persons related to the independent directors.
2. Not currently be or never been the Company's executive director, worker, employee, salaried consultant, or controlling parties\*. Exception: It has been at least two years after the person has held the position.
3. Not by blood or legally registered with other directors, executives, major shareholders, controlling parties, or persons who will be nominated as directors, executives, or controlling parties of the Company or subsidiary.
4. Not currently having or never had any business relations with the Company\* in the way that such relation may impede the person from having independent views. Also, the person should not currently be or never be a significant shareholder or controlling person for persons having business relations with the Company\*. Exception: It has been at least two years after the person has held the position.

Such business relationship is inclusive of a trading transaction occurring on a conventional basis for the conduct of business; a rent or lease of property; a transaction involving assets or services; a provision or an acceptance of financial assistance through means of a loan, a guarantee, a use of an asset as collateral against debt; and, other similar actions which result in the Company or the party to the contract having a debt to be repaid to another party for the amount from 3% of net tangible assets (NTA) of the Company or from THB 20 million, whichever is lower. This amount is determined by the calculation of Related Transaction value as per the announcement of the Securities and Exchange Commission. It is inclusive of debt(s) arising within one year prior to the day of business relationship with the same party.

5. Not currently being or never been the Company's auditor\*. Also, the person should not currently be or never be a significant shareholder, controlling person, or partners of current auditor's auditing firm\*. Exception: It has been at least two years after the person has held the position.
6. Not currently be providing or never provided professional services, legal consulting, nor financial consulting services to the Company with a fee more than THB 2 million per year\*. Also, the person should not currently be or never be a significant shareholder, controlling person, or partners of current service providers. Exception: It has been at least two years after the person has held the position.
7. Not currently a director appointed to represent the Company's directors, major shareholders, or the shareholder related to major shareholder.
8. Not currently be operating under similar business nature and significant competition to the Company or subsidiary; or not a significant partner of the partnership, executive director, salaried worker, employee, or consultant; or holding more than 1% of voting shares of any other companies operating under similar business nature and significant competition to the Company and subsidiary.
9. Not under any conditions that may impede the person from having independent views towards the Company's operations.

*\*Including the parent company, subsidiary, affiliate, major shareholder(s), or controlling parties of the Company*