

Date: January 10, 2025

Dear Valued Stakeholders,

As we approach Indorama's 50th anniversary, we reflect on the legacy we've built together—one rooted in excellence, sustainability, and a commitment to manufacturing essential materials for a better future. Today, we stand at a critical juncture in our journey, as we align our business practices with the global imperative to address climate change.

I am proud to share highlights of our **Decarbonization Plan**, a journey that underscores our commitment to reduce carbon footprint while driving sustainable growth. This initiative represents not just our responsibility to the planet but also our promise to our stakeholders to lead with purpose and integrity in shaping a resilient and sustainable future.

Our decarbonization plan combines proven strategies, innovative ideas, and advanced technologies guided by experts to drive carbon reduction. Starting from our baseline year of 2021, we target to reduce our group's CO<sub>2</sub> emissions by 1.2 million tons/year by 2028. This represents a **18% reduction** in absolute terms for our historical and recently acquired manufacturing assets. Without these measures, our total emissions from such assets for 2028 would have been 6.6 million tons/year; with this plan, they are forecasted to be 5.4 million tons/year—a significant improvement achieved through an investment of **US\$130 million**.

### **Notable Projects**

A set of four new Heat Recovery Steam Generators in Nigeria has helped cut 250,000 tons of emissions annually. Decommissioning our captive coal power plant in Indonesia will mitigate 200,000 tons of emissions. N<sub>2</sub>O and NO<sub>x</sub> abatements in our Georgian and Uzbeki fertilizer plants will reduce 250,000 tons of emissions.

Our renewable energy projects consist of 64 MW of solar power projects and a 20 MW hydroelectric project in India which will help offset 80,000 tons of CO<sub>2</sub> annually.

## Our Approach to Carbon Reduction

Emission Intensity (EI) is our preferred metric for tracking progress. For our current assets, our EI is projected to **decrease by 29%**, from 0.82 to 0.59, by 2028. Even more encouraging, our recently acquired assets are expected to achieve an EI of 0.56 - better than our historical assets. These improvements are **before** considering purchase of carbon credits and our CCS projects, which promise enormous benefits.

## Aspirational Projects

Carbon capture and sequestration (CCS) projects: CCS works by capturing CO<sub>2</sub> emissions from manufacturing processes and storing them underground to prevent their release into the atmosphere. We have already initiated CCS pilot studies in Nigeria with Haliburton and in Georgia with Block Energy. We have also started FEED work for a 1.3 million ton low-carbon ammonia project in the US which is designed for more than 95% carbon capture and an EI of 0.1. We are in the process of finalizing firm plans to set up an export oriented phosphate fertiliser project in Egypt with an EI of 0.4 (30-50% lower than current operating plants). Success with our CCS initiatives will be truly transformative for our decarbonization agenda!

Additionally, we are exploring upcoming technologies, such as electric furnaces for olefin production in Nigeria, and transitioning to electric and gas-powered vehicles everywhere. In Nigeria, for instance, we already operate 85 gas-based trucks for 100% of urea logistics.

## A Bold Vision

With these initiatives and our aspirational projects, Indorama has the potential to reduce emissions by 50% over the next decade. This ambitious target is deeply meaningful to us and will also be commercially neutral. It positions us for sustainable growth for decades to come.

We are excited about the journey ahead and look forward to sharing our progress with you as we advance toward a low-carbon future. Thank you for your continued trust and partnership.

Sincerely,  
Amit Lohia