



Chandra Asri
Your Growth Partner



GUIDELINES OF WORK FOR THE BOARD OF DIRECTORS & BOARD OF COMMISSIONERS



Background

In order to comply with the prevailing laws and regulations and as part of the corporate governance information, the Board of Directors and Board of Commissioners of PT Chandra Asri Petrochemical Tbk. (the “Company”) prepares the Work Guidelines for the Board of Directors and the Board of Commissioners of the Company (“Guidelines”) which are binding on each member of the Board of Directors (“BOD”) and member of the Board of Commissioners (“BOC”), unless specifically specified in this Guidelines



Legal Basis

- Law of the Republic of Indonesia No. 40 of 2007 on Limited Liability Company as lastly amended by Law of the Republic of Indonesia No. 11 of 2020 on Job Creation;
- Law of the Republic of Indonesia No. 8 of 1995 on Capital Market;
- Regulation of the Financial Services Authority No. 33/POJK.04/2014 on the Board of Directors and Board of Commissioners of Issuers or Public Companies;
- Regulation of the Financial Services Authority No. 34/POJK.04/2014 on Nomination and Remuneration Committee of Issuers or Public Companies;
- Regulation of the Indonesia Stock Exchange No. I-A on the Listing of Shares and Equity Securities other than Shares Issued by the Listed Company as attached in the Decree of the Board of Directors of the Indonesia Stock Exchange No. Kep-00183/BEI/12-2018;
- Regulation of the Financial Services Authority No. 15/POJK.04/2020 on the Plan and Implementation of General Meeting of Shareholders of Public Companies;
- Circular of the Financial Services Authority No. 16/SEOJK.04/2021 on the Form and Content of the Annual Report of Issuers or Public Companies;
- Articles of Association of the Company; and
- Principles of Good Corporate Governance.

Value

As a part of good corporate governance, the BOD and BOC of the Company embrace and act according to the Company's values that us iSTAR (integrity, Safety, Teamwork, Accountability and Respect)

integrity

The BOD and BOC act professionally, honestly and ethically in all aspects of business.

Safety

The BOD and BOC put safety first in their action.

Teamwork

The BOD and BOC collaborate and support one another.

Accountability

The BOD and BOC are responsible for their actions.

Respect

The BOD and BOC value the employees, customers, suppliers, shareholders and the surrounding community.

Board of Directors

The Company's BOD will carry out their duties, as regulated in the Company's Articles of Association and the applicable laws and regulations, in good faith, full of responsibility and prudence. The main task of the BOD in the Company is to manage the Company for the benefit of the Company in accordance with the purposes and objectives of the Company as stipulated in the Articles of Association.

The Company's BOD comprises of at least 2 (two) members and a maximum of 15 (fifteen) members.

The tenure of the members of the Company's BOD commences from the date of the GMS where they are appointed and terminates at the closing of the 3rd annual GMS after the date of their appointment, without prejudice to the authority of the GMS to dismiss members of the Company's BOD at any time by stating the reason thereof. Each member of the Company's BOD may be re-elected and reappointed based on the resolution of the GMS.

A person who may be appointed as a member of the Company's BOD is an Indonesian citizen and/or a Foreign citizen who meets the requirements as stipulated in the Company's Articles of Association and the applicable laws and regulations.

Each member of the Company's BOD is entitled to a salary and remuneration, the amount of which must be approved by the Company's shareholders at the GMS.

Meetings of the Company's BOD ("**BOD Meeting**") must be held at (i) the domicile of the Company; (ii) at the place of business activity of the Company; (iii) at the domicile of the Indonesia Stock Exchange; or (iv) in another place within the territory of the Republic of Indonesia, at least 1 (one) time in every month, where the BOD Meeting must be attended by more than $\frac{1}{2}$ (one half) of the total members of the BOD. In addition, the Company's BOD is also required to hold Joint Meeting at least 1 (one) time in 4 (four) months. BOD Meeting and Joint Meeting can be held through teleconference media, video conferences or other electronic media facilities.

The invitation to the BOD Meeting is made by members of the BOD who are entitled to represent the BOD. Invitation must be sent no later than 5 (five) days before the BOD Meeting is held. In the event that all members of the BOD are present, no invitation is required.

The BOD Meeting is chaired by the President Director or one of the other members of the BOD in the absence of the President Director. Resolutions of the BOD Meeting must be made based on deliberation to reach a consensus, if not reached, the decision is taken based on an approval of more than $\frac{1}{2}$ (one half) of the number of votes legally cast in the BOD Meeting.

The resolutions of the BOD Meeting must be stated in the minutes of the meeting, signed by all members of the BOD present and submitted to all members of the BOD.

The BOD may also take legal and binding decisions without holding a BOD Meeting, provided that all members of the BOD have been notified in writing of the proposal and all members of the BOD have given their approval of the proposal submitted in writing by signing such written approval. Resolutions taken in this way have the same power as resolutions taken legally at the BOD Meeting.

Board of Commissioners

The Company's BOC has a duty to supervising and responsible to supervise on the Company's management policies, the implementation of the Company's management in general, either regarding the Company and the Company's business, as well as providing advice to the Company's BOD.

The Company's BOC comprises of at least 2 (two) members and a maximum of 15 (fifteen) members, whereby at least 1/3 (one third) of the total members of the Company's BOC also serves as an Independent Commissioner, as a fulfillment of the Company on the prevailing laws and regulations.

The tenure of the members of the Company's BOC commences from the date of the General Meeting of Shareholders ("GMS") where they are appointed and terminates at the closing of the 3rd annual GMS after the date of their appointment, without prejudice to the authority of the GMS to dismiss members of the Company's BOC at any time by stating the reason thereof. Each member of the Company's BOC may be re-elected and reappointed based on the resolution of the GMS.

A person who may be appointed as a member of the Company's BOC is an Indonesian citizen and/or a Foreign citizen who meets the requirements as stipulated in the Company's Articles of Association and the applicable laws and regulations.

Each member of the Company's BOC is entitled to a salary and remuneration, the amount of which must be approved by the Company's shareholders at the GMS.

