

Press Release

Officially ISCC Certified for Sustainable Products, Chandra Asri is Ready to Produce Bio-Based Products

Jakarta, 11th October 2023 – For its consistent implementation of sustainability principles, PT Chandra Asri Petrochemical Tbk (Chandra Asri) has successfully obtained the International Sustainability and Carbon Certification (ISCC), a globally recognized sustainability certification system for environmentally-friendly product production. With the attainment of ISCC, Chandra Asri's facilities are certified to meet the standards for processing bio-feedstock into bio-based products, such as Bio-Propylene, Bio-Ethylene, Bio-Crude C4, and Bio-Pygas. This accomplishment also supports Chandra Asri's efforts in transitioning towards more sustainable alternative raw material utilization.

Bio-based raw materials have a lower carbon footprint since they come from plants that have absorbed carbon from the atmosphere. This process balances the carbon dioxide released during production with the carbon absorbed during plant growth, resulting in a closed-loop system that reduces greenhouse gas emissions.

ESG & Sustainability Director Chandra Asri, Phuping Taweearp stated, "By obtaining the ISCC certification, we are confident in exploring opportunities through our bio-feedstock utilization plan as an alternative raw material. This proactive approach aims to limit carbon emissions and reduce our operational impact on the environment. By adopting bio-based raw materials, we create possibilities for downstream chemical industry partners to collaborate with us in developing a green chemical industry ecosystem, thereby fulfilling our sustainability commitments."

In addition to obtaining the ISCC certification for its bio-based products, Chandra Asri's commitment to sustainability has also had a significant impact on the Company's ESG risk ratings. Over the past year, Chandra Asri has achieved an increase in its MSCI rating from BB to BBB. Furthermore, the Company has successfully maintained its status as a 'Low Risk' Company according to Sustainalytics, with a reduction in its ESG risk rating from 17.7 to 16.6. Chandra Asri's stock [Code: TPIA] continues to be listed in the IDX ESG Leaders, as announced by the Indonesia Stock Exchange.

"Chandra Asri's efforts to obtain the ISCC certification and improve its ESG ratings affirm our dedication as a business partner who runs business and operations sustainably," Phuping continued.

Chandra Asri had previously explored the potential for a partnership with PT Nippon Shokubai Indonesia (NSI) to maximize asset footprint, core competencies, and technologies capabilities

in creating a new green supply chain at the Chandra Asri and NSI plants in Cilegon, including the production of bio-based products. This partnership will support the Government's decarbonization efforts, Long-Term Low Carbon Climate Resilience (LTS-LCCR) strategy for Indonesia in 2050, and the ambitions of Indonesia's Enhanced Nationally Determined Contribution (ENDC). It is also aligned with Chandra Asri's Environmental, Social, and Governance (ESG) framework, known as 'R.E.S.P.O.N.S.I.B.L.E' which serves as the company's sustainability strategy in integrating risks and opportunities to create sustainable chemical business practices and infrastructure solutions.

About Chandra Asri

Chandra Asri Petrochemical is Indonesia's largest integrated petrochemical company producing olefins and polyolefins. With a history of 31 years and over 2000 dedicated staff, the company incorporates state-of-the-art technologies and supporting facilities located strategically in the country's petrochemical hub, Cilegon and Serang. As a Growth Partner, Chandra Asri is committed on creating high-value jobs, expanding the domestic petrochemical value chain, and serving the needs of the vibrant and growing Indonesian market. Chandra Asri is currently expanding its portfolio in the energy sector and incorporating its asset as well as operational infrastructure to support the expansion plan of the second world-scale integrated petrochemical complex in Indonesia, CAP2. For more information, visit: www.chandra-asri.com

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