

SHEQEn MANAGEMENT POLICY

PT Chandra Asri Petrochemical Tbk (CAP) and its subsidiaries (PT SMI and PT PBI) believe in **Safety & Health, Environment, Quality and Energy Conservation (SHEQEn)** and **Responsible Care Management System** as fundamentals in achieving our Company's Vision to be "Indonesia's Leading and Preferred Petrochemical Company".

CAP and its subsidiaries promote a culture of operational excellence by managing process safety, reliability and energy efficiency, personal safety & health, and the environment, in order to achieve incident & injury free workplace; to maintain healthy workforce; to mitigate workplace health risks and to prevent illnesses; to identify and mitigate environmental and process safety risks; to operate with integrity and reliability; and to use natural resources, the Company's assets and energy efficiently and effectively.

Our commitment translates into the following Policy:

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| General | 1. Provide framework to set and review SHEQEn objectives and targets aligned with this Policy; |
| | 2. Develop competent personnel with adequate training to sustain SHEQEn performance; |
| | 3. Comply and stay up-to-date with applicable SHEQEn legal and other requirements; |
| | 4. Manage potential health, environmental, safety and integrity risks, and manage energy usage of our products throughout the products' life cycles; |
| | 5. Protect staff, assets and information from harm and theft; |
| | 6. Communicate this Policy to all employees, contractors, suppliers, customers, community and interested parties, and to review it periodically; |
| | 7. Maintain, periodically review and continuously improve our Company's certified SHEQEn Management System effectiveness in accordance to OHSAS 18001:2007, SMK3 PP No. 50 year 2012 / Permenaker 05 year 1996, ISO 9001:2015, ISO 14001:2015, and ISO 50001:2011 standards; |
| SHE | 8. Eliminate personal safety and health hazards to prevent injuries, occupational illnesses and fatalities; |
| | 9. Strive to continuously improve our environmental performance, reduce negative impacts from our operations and efficiently manage waste by promoting 3R (Reduce, Reuse, Recycle); |
| | 10. Prevent process safety incident through effective implementation of Process Safety Management (PSM) and risk-based surveys, and embed a safety-oriented culture throughout the Company; |
| | 11. Investigate and identify root causes of all incidents to prevent recurrence and to share lessons learned throughout the Company; |
| Quality | 12. Meet or exceed customers' requirements and expectations; |
| | 13. Report and investigate all complaints and non-conformities, and maintain active communication with our customers and partners in the supply chain; |
| Energy | 14. Reduce energy consumption and disseminate goals to all stakeholders; |
| | 15. Maximise operational efficiency, and optimise natural resources and energy conservation; |
| | 16. Support purchase of energy-efficient products and services, and support energy-efficient designs |

The management of PT Chandra Asri Petrochemical Tbk (CAP) and its subsidiaries are committed to implement and lead their areas according to this Policy, and all employees and contractors are responsible for the successful implementation and execution of these principles in their daily operations.

December 8, 2017



Erwin Ciputra
President Director