



PT Lotte Chemical Titan Tbk and its Subsidiaries

WHISTLEBLOWING POLICY

Version 2.0

2024

EFFECTIVE DATE: August 20th, 2024

Jakarta, August 20th, 2024
PT Lotte Chemical Titan Tbk

A handwritten signature in blue ink, appearing to read 'Jang Seon Pyo'.

Jang Seon Pyo
President Director

Table of Contents

IMPROVISATION TO THE GROUP'S WHISTLEBLOWING SYSTEM	3
COVERAGE OF THIS WHISTLEBLOWING POLICY	3
1.0 Introduction	3
2.0 Application of the Policy	4
3.0 Definitions	4
4.0 Misconducts to be Reported	5
5.0 Reporting Channels and Procedures	6
6.0 Confidentiality of Identity	7
7.0 Investigation Procedures	7
8.0 Protection to Whistleblower	8
9.0 Revocation of Protection	8
10.0 Being Informed	9
11.0 Monitor and Review of this Policy	9
12.0 Administration of this Policy	9
13.0 Language	10

IMPROVISATION TO THE GROUP'S WHISTLEBLOWING SYSTEM

Given recent developments and dynamics, PT Lotte Chemical Titan Tbk ("LCT Tbk") and its subsidiaries operating in Indonesia (collectively referred to as the "Group") have conducted a thorough evaluation of their whistleblowing system, including the whistleblowing reporting channels owned by the Group.

The Group's management, through the Group Compliance Task Force Team, has attempted to improve the Group's whistleblowing system by optimizing and enhancing the whistleblowing reporting channels, including modifications to the reporting channels in SMOIN for Group's internal and the reporting channels in LCT Tbk's website for public.

Additionally, the Group's management recognized the need for a committee to manage and oversee the Group's whistleblowing system. Consequently, the Board of Directors of LCT Tbk established the Whistleblowing Investigation Committee on June 28th, 2024. This committee has tasks among others investigating reports made through the Group's whistleblowing channels and evaluating the Group's whistleblowing policies.

Whistleblowing Investigation Committee reviewed the Whistleblowing Policy version 1.0 issued on May 28th, 2020 and effective on June 1st, 2020 ("Policy Version 1.0") and then proposed and recommended Group's management to adjust and revise Policy Version 1.0. Therefore, the Group's management has made the necessary amendments and adjustments to the Policy Version 1.0 by issuing Whistleblowing Policy Version 2.0 ("Policy Version 2.0") (hereinafter Policy Version 2.0 referred to as "Policy").

COVERAGE OF THIS WHISTLEBLOWING POLICY

Group is committed to maintain good corporate governance practices and ethical standards in the conduct of its businesses and operations. The Commissioners and Directors of the Group are committed to uphold high standards of governance, accountability and fairness in discharging their duties and responsibilities. At all times, the Group shall be guided by the law with the notion of integrity being the value compass.

In line with the Financial Services Authority Regulation No. 21/POJK.04/2015 regarding the Implementation of the Guidelines of Good Corporate Governance of the Public Company and the Financial Services Authority Circular Letter No. 32/SEOJK.04/2015 regarding the Guidelines of Good Corporate Governance of the Public Company, this Policy aims to provide an opportunity for all Commissioners, Directors and employees of the Group as well as members of public to report any improper conduct relating to the Group without fear of reprisal.

All Commissioners, Directors, employees, and other stakeholders (e.g. customers, suppliers and other concerned parties) are strongly encouraged to report genuine concerns on improper conduct relating to the Group.

1.0 Introduction

- 1.1 Whistleblowing is a form of disclosure, enabling the whistleblower to raise concerns on actual or suspected wrongdoings concerning Associated Persons of the Group. This Policy is based on principles of fairness and transparency.
- 1.2 This Policy is formulated by taking into account the following laws and regulations including:
 - a) Law No. 8 Year 1995 regarding Capital Market as amended with Law No. 4 of 2023 concerning Development and Strengthening of the Financial Sector ("Capital Market Law");
 - b) Law No. 40 of 2007 concerning Limited Liability Company as amended with the Government Regulation in Lieu of Law No. 2 of 2022 concerning Job Creation, which

has been stipulated to become law based on the Law No. 6 of 2023 concerning Stipulation of the Government Regulation in Lieu of Law No. 2 of 2022 concerning Job Creation to Become Law (“Company Law”);

- c) Law No. 13 Year 2003 regarding Manpower as amended with the Government Regulation in Lieu of Law No. 2 of 2022 concerning Job Creation, which has been stipulated to become law based on the Law No. 6 of 2023 concerning Stipulation of the Government Regulation in Lieu of Law No. 2 of 2022 concerning Job Creation to Become Law (“Manpower Law”);
- d) Law No. 31 Year 1999 regarding Eradication of the Criminal Act of Corruption as amended with Law No. 20 Year 2001 regarding the Amendment of the Law No. 31 Year 1999 regarding Eradication of the Criminal Act of Corruption (“Anti Corruption Law”);
- e) Government Regulation No. 50 Year 2012 regarding Implementation of the Occupational Safety and Health Management System (“Safety & Health Regulation”);
- f) Financial Services Authority Regulation No. 21/POJK.04/2015 regarding the Implementation of the Guidelines of Good Corporate Governance of the Public Company (“OJK Regulation on Good Corporate Governance”);
- g) Financial Services Authority Circular Letter No. 32/SEOJK.04/2015 regarding the Guidelines of Good Corporate Governance of the Public Company (“OJK Circular Letter on Good Corporate Governance”).

- 1.3 Should there be any conflict between the contents of this Policy and the laws and regulations as stated above, the aforementioned laws and regulations shall prevail.

2.0 Application of the Policy

- 2.1 This Policy provides an additional channel for concerns regarding Associated Persons of the Group to be raised apart from the available mechanisms within the respective entities across the Group.
- 2.2 All complaints or reports must not be made with malicious intent, as doing so can result in the Group imposing serious penalty or action to be taken against them. Any complaints or reports made through the channels and procedures as set out in this Policy shall be treated as confidential.

3.0 Definitions

For the purposes of this Policy, unless otherwise stated, the terms listed below represents its respective definitions:

- “Associated Persons” means a person is associated to the Group if he or she is a commissioner, a director, or employee of any entity within the Group or if he or she is a person who performs services for and/or on behalf of the Group (e.g. agents).
- “Board of Commissioners” means the Board of Commissioners of the respective entities within the Group.
- “Board of Directors” means the Board of Directors of the respective entities within the Group.
- “corruption” refers to an act of giving or receiving of any gratification, bribe or reward in the form of cash or in-kind of high value for performing a task in relation to his or her job description.
- “Designated Recipient” refers to an individual within the Group who is authorised to receive the whistleblowing report.

“Commissioner(s)”	means the Commissioner(s) of the Company in accordance with its articles of associations.
“Director(s)”	means the Director(s) of the Company in accordance with the organization structure from HR & GA department.
“employee”	refers to a person who accepts a form of remuneration from the Group in exchange for services performed to or on behalf of the Group, either on a permanent, temporary, assignment, or secondment basis.
“Enforcement Agency”	means enforcement agency includes any ministry, department, agency or other body set up by the Central Government, local government including a unit, section, division, department or agency of such ministry, department, agency or body, conferred with investigation and enforcement functions by any written law or having investigation and enforcement powers.
“Group”	collectively refers to PT Lotte Chemical Titan Tbk and its Indonesia operating subsidiaries
“whistleblower”	means any person or a group of persons who submits a whistleblowing report via the channels outlined in this Policy. They include those who are employed by any entity within the Group as well as external parties who have business dealings with the Group and members of public.
“Whistleblowing Investigation Committee” or “Committee”	Means a committee formed by and responsible to Board of Directors of PT Lotte Chemical Titan Tbk whose duty among others investigating each whistleblowing report which submitted via Group’s whistleblowing reporting channels.
“Task Force Team”	means a unit or team established by the Group management to be responsible for supervising, evaluating, and ensuring that the Group complies with applicable laws and regulations, as well as policies (both internal and external).
“Policy Version 1.0”	means Group’s whistleblowing policy issued on May 28 th , 2020 and effective since June 1 st , 2020.
“Policy Version 2.0”	means the changes on the Policy Version 1.0 which issued on August 20 th , 2024 and effective since August 20 th , 2024.
“Immediate Superior”	means the head of the respective department in the Group.
“SMOIN”	means internal Group system to support management, operations, coordination, and communication within the Group, providing infrastructure to store, manage, and process important information accessible by the Group’s employees.
“Audit Committee”	means LCT Tbk’s Audit Committee.

4.0 Misconducts to be Reported

This Policy aims to encourage all stakeholders of the Group to raise genuine concerns about alleged misconducts and malpractices that may arise in the course of business dealings, which may include the following:

- i. Fraud, bribery, corruption, dishonesty, insider trading;
- ii. Theft, embezzlement or forgery;
- iii. Abuse of power, position or the misuse of power and authority for personal gains;

- iv. Involvement in any conflict of interest and/or business opportunities that was not previously or prior to the transaction, disclosed to the Group, Audit Committee or Board of Commissioners/Board of Directors as the case may be;
- v. Unauthorised use of Group's money, properties, facilities and/or misappropriation of assets;
- vi. Non-compliance with the Business Ethics & Code of Conduct ("BECOC") or any of the Group's procedures that may cause significant harm to the Group's interest; and
- vii. Any breaches to the laws and regulations, which can constitute as a criminal act.

If an employee is unsure whether a particular act or omission constitutes a wrongdoing under this Policy, the employee is encouraged to seek advice or guidance from his immediate superior or the Whistleblowing Investigation Committee.

5.0 Reporting Channels and Procedures

5.1 For Employees

When an employee observes or uncovers any unethical or illegal conduct, and intends to make a formal complaint or report, the employee can do so via whistleblowing reporting system in the SMOIN to the:

- (i) Immediate Superior; or
- (ii) Head of Legal & Compliance Department; or
- (iii) President Director of LCT Tbk.

Employee who wish to report must fill out the form available within the whistleblowing system channel in SMOIN (<http://app.lottechem.co.id/Whistleblowing/>).

5.2 For members of public

Members of public who wish to make a complaint or report, should be submitted to the Whistleblowing Investigation Committee via whistleblowing channels available in LCT Tbk's website.

5.3 What whistleblowers should provide

In order for the Whistleblowing Investigation Committee to investigate the wrongdoing reported, the whistleblower is to provide the following particulars in the report:

- particulars of whistleblower i.e. name, ID card, designation (if the whistleblower is an employee of the Group) and contact particulars (email, telephone or mobile number and/or address);
- details and description of the alleged wrongdoing, including, its nature, the date, time, and place of its occurrence and the identity of the alleged person(s) involved. A disclosure may be made even if whistleblower is not able to identify the identity of the person(s) involved;
- particulars of witnesses, if any; and
- particulars or production of documentary evidence, if any.

If the information provided by the whistleblower is incomplete as required above, the Whistleblowing Investigation Committee may choose not to proceed with the investigation.

6.0 Confidentiality of Identity

- 6.1 The Group will protect the identity of the whistleblower(s) who made the report in good faith. Such information will be held to the extent legally permissible and reasonably practicable, in the strictest confidence, by the Group (i.e. the whistleblower's identity shall be protected and kept confidential unless otherwise required by the law or for the purpose of any proceedings by/or against the Group).
- 6.2 However, it should be noted that during the investigation process, including any report that may or have to be made to the enforcement agencies or authorities, the Group may reveal the source of the information, and a statement by the whistleblower(s) may be required as part of the evidence. In order to maintain confidentiality, no information concerning the status of an investigation shall be divulged to anyone outside the investigation. The proper response to any inquiry is: "I am not at liberty to discuss this matter". Under no circumstances shall any reference be made to "the allegation", "the crime", "the fraud", "the forgery", "the misappropriation" or any other specific adverse reference.
- 6.3 Once the whistleblower has provided the disclosure, he or she should not:
- a) confront the alleged wrongdoer; and
 - b) discuss the case, facts, suspicions, allegations, or any other information related to the case with anyone.
- 6.4 The whistleblower's identity may be revealed based on the following circumstances:
- a) to facilitate the investigation process, a statement by the whistleblower may be required as part of the evidence;
 - b) where it is required by the law, Enforcement Agency, regulatory body or such other body that has the jurisdiction and authority of the law to require such identity to be revealed;
 - c) where it is in the best interest of the Group to disclose the identity of the whistleblower after the concurrence of the Board of Commissioners/Board of Directors; or
 - d) the disclosure by the whistleblower was frivolous and in bad faith or for personal gain.

7.0 Investigation Procedures

- 7.1 For reports concerning misconducts, the investigation procedure will follow that as provided for under the guidelines made by Whistleblowing Investigation Committee and/or Human Resource Department Disciplinary Procedure.
- 7.2 In instances where the disclosure of improper conduct is not substantiated, the Whistleblowing Investigation Committee shall inform the whistleblower accordingly.
- 7.3 The investigation of the disclosure should be finalised as soon as practicable and given priority, particularly if the wrongdoing is capable of causing significant financial or reputational harm to the Group.
- 7.4 The whistleblower may report the same disclosure to another Designated Recipient (which may be for different level of disclosure) if:
- the status of the disclosure is not communicated to the whistleblower within a reasonable time period;
 - the wrongdoing involves a Designated Recipient; or
 - where the wrongdoing does not involve the Designated Recipient but the whistleblower, in good faith, reasonably believes that the Designated Recipient

may be personally conflicted (for instance, the Designated Recipient is an ally of the alleged wrongdoer).

8.0 Protection to Whistleblower

- 8.1 In an effort to promote transparency, accountability and good corporate governance in the workplace, employees must be able to raise concerns without the fear of reprisals. No employee, who in good faith reports any violation of the BECOC, Anti-Bribery & Anti-Corruption Manual or other laws and regulations shall suffer harassment, retaliation or adverse employment consequences. Any personnel who retaliates against the whistleblower will be subjected to disciplinary actions by the Group, including but not limited to dismissal.
- 8.2 Upon providing disclosure, the whistleblower will not be allowed to discuss or reveal facts or information to any persons regarding the nature of the case in order to avoid speculation and further conjecture. To ensure confidentiality, all reports or disclosures shall be kept classified unless applicable laws requires disclosure to Enforcement Agency. In the event of an investigation, if a whistleblower is called into for questioning, he or she may be required to enter a statement of evidence and in some cases, the whistleblower might have to reveal their identity if it helps to facilitate the investigation process. In such instances, any information concerning the investigation shall not be revealed to anyone outside the case as the only parties privy to the information are the persons involved in the investigating process.
- 8.3 The Group acknowledges that the act of whistleblowing is a decision that is difficult to make especially against direct superior or important personnel within the Group. Therefore, the Group will not tolerate mistreatment of any whistleblower and will ensure that individual will be treated fairly and justly. If the report is made in good faith, with reasonable grounds to believe that the information and allegations are substantially true, the whistleblower shall be protected against any forms of retaliation including disciplinary action from their immediate superior or from any other persons exercising authority over the whistleblower's employment or service for the Group.
- 8.4 The whistleblower is also protected from any form of retaliation from the alleged wrongdoer. If the whistleblower has good reason to believe that they are a victim of retaliation, they may report this to the Whistleblowing Investigation Committee and request for protection.
- 8.5 The whistleblower will not be subjected to a civil action by the Group if disclosure was made in good faith and based on reasonable grounds.

9.0 Revocation of Protection

- 9.1 Any individual who makes a report recklessly without having reasonable grounds for believing the matter to be substantially true or makes a report for purposes of personal gain, may be subjected to appropriate action(s) by the Group. Such reckless reporting include:
 - a) having participated in the improper conduct disclosed;
 - b) made a disclosure in which he or she knew or believed to be false (for instance, dishonest, frivolous mischievous or malicious complaints);
 - c) made a disclosure that is frivolous and vexatious; or
 - d) made a disclosure to avoid dismissal or other disciplinary action.

- 9.2 Disclosures that are pending or already determined through the Group's disciplinary proceedings, and disclosures pending through local or international authorities such as the courts, arbitration bodies, or other similar proceedings shall not be further acted upon by the Group, whether the whistleblower was aware or not of the situation upon disclosure.
- 9.3 The whistleblower will be subjected to a civil action by the Group if disclosure was made not in good faith and has not based on reasonable grounds or solid evidence.

10.0 Being Informed

- 10.1 Whistleblowing Investigation Committee shall inform the whistleblower on the following, to the extent deemed appropriate in its sole discretion:
- The status of his or her report in terms of being forwarded for investigation or disregarded;
 - The justifications on why such report is disregarded;
 - The disciplinary action taken against the alleged wrongdoer if he or she is found guilty of committing the alleged misconduct or malpractice.
- 10.2 The whistleblower shall respect all decisions made by the Whistleblowing Investigation Committee.

11.0 Monitor and Review of this Policy

- 11.1 Management of the Group through the Board of Directors of LCT Tbk may established a committee who has function to support management among others overseeing and reviewing the Policy, to manage whistleblowing system of the Group and to conduct investigation of any reports that have been made through Group's whistleblowing reporting channels. In this regard, the Board of Directors of LCT Tbk has established the Whistleblowing Investigation Committee on June 28th, 2024.
- 11.2 Whistleblowing Investigation Committee shall maintain a register for all disclosures made pursuant to this Policy. All documents obtained pertaining to disclosures shall be considered "Confidential" and be stored securely. The disclosures shall be kept under the custody of the Whistleblowing Investigation Committee for ten (10) years, or longer as may be decided by President Director of LCT Tbk.
- 11.3 The disclosures shall not be kept longer than necessary. The Whistleblowing Investigation Committee shall undertake reasonable steps to ensure the disclosures are destroyed or permanently deleted after the designated timeframe.
- 11.4 The Whistleblowing Investigation Committee shall, on a quarterly basis, update the Board of Directors of LCT Tbk on the number of disclosures received to date and nature of such disclosures, status of investigations, and other relevant updates.
- 11.5 The Whistleblowing Investigation Committee shall monitor the implementation and understanding of this Policy.

12.0 Administration of this Policy

- 12.1 The Group aims to ensure that this Policy closely reflects the applicable laws and regulations as well as industry better practices pertaining to whistleblowing. Whistleblowing Investigation Committee shall be responsible for reviewing and assessing this Policy in

terms of its effectiveness and areas of enhancement from time to time, as and when necessary.

- 12.2 The Group shall communicate this Policy to all employees including those working with and on-behalf of the Group as well as other stakeholders. A copy of this Policy is to be made available the summary on the LCT Tbk's website (if required) and intranet of the respective entities within the Group.

13.0 Language

This Policy is made in Indonesian language version and English language version separately which are executed and enacted at the same time. If any discrepancy or inconsistency between Indonesian language version and English language version, the Indonesian language version shall prevail and the English language version will be adjusted with the Indonesian language version in an amendment to this Policy.