



*PT. Impack Pratama Industri Tbk*

**BOARD OF DIRECTORS MANUAL  
PT IMPACK PRATAMA INDUSTRI TBK**

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## **I. Legal Basis**

1. Law of the Republic of Indonesia Number 40 Year 2007 concerning Limited Liability Companies.
2. Law Number 8 of 1995 concerning Capital Markets.
3. Financial Services Authority Regulation No. 33 / POJK.04 / 2014 concerning Directors and Board of Commissioners of Issuers or Public Companies.
4. Financial Services Authority Regulation No. 34 / POJK.04 / 2014 concerning the Nomination and Remuneration Committee of Issuers or Public Companies.
5. Indonesian Stock Exchange Regulation number I-A concerning Listing of Shares and Equity-Type Securities Other Than Shares Issued by Listed Companies.
6. PT Impack Pratama Industri Tbk's Articles of Association, along with their changes from time to time.

## **II. Membership And Requirements For Members Of The BOD**

1. Directors of Issuers or Public Companies consist of at least 2 (two) members of the Board of Directors.
2. 1 (one) member of the Board of Directors shall be appointed as president director or president director.
3. 1 (one) member of the Board of Directors must be an Independent Director.
4. Members of the Board of Directors are appointed and dismissed by the GMS.
5. Members of the Board of Directors are appointed for a certain term of office and can be reappointed.
6. 1 (one) term of office for members of the Board of Directors for a maximum of 5 (five) years or until the closing of the annual GMS at the end of the 1 (one) term of office.
7. Having good character, morals, and integrity;
8. Competent in carrying out legal actions;
9. Within 5 (five) years prior to appointment and during his tenure:
  - a. Never declared bankrupt;
  - b. Never been a member of the Board of Directors and / or a Board of Commissioners who was found guilty of causing a company to go bankrupt;
  - c. Never been convicted of a criminal offense that is detrimental to the country's finances and / or related to the financial sector; and
  - d. Never been a member of the Board of Directors and / or members of the Board of Commissioners who during his tenure:
    - i. Never held an annual GMS;
    - ii. His responsibilities as a member of the Board of Directors and / or member of the Board of Commissioners have never been accepted by the GMS or have never provided accountability as a member of the Board of Directors and / or member of the Board of Commissioners to the GMS; and
    - iii. Has caused companies that obtained licenses, approvals, or registrations from the Financial Services Authority not to fulfill the obligation to submit annual reports and / or financial reports to the Financial Services Authority.

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10. Have a commitment to comply with laws and regulations; and
11. Having knowledge and / or expertise in the fields required by Issuers or Public Companies.

### **III. Provisions for Dual Position of Directors**

Members of the Board of Directors may hold concurrent positions as:

1. Members of the Board of Directors of at most 1 (one) Issuer or other Public Company;
2. Members of the Board of Commissioners of at most 3 (three) other Issuers or Public Companies; and / or.
3. Committee members at most on 5 (five) committees in the Issuer or Public Company where the person concerned also serves as a member of the Board of Directors or a member of the Board of Commissioners.

### **IV. Duties And Authorities Of The BOD**

1. The Board of Directors has the duty to carry out and be responsible for managing the Company for the benefit of the Company, in accordance with and in achieving the aims and objectives of the Company.
2. Each member of the Board of Directors must be in good faith and full responsibility responsible for carrying out their duties, with due regard to the applicable laws and regulations and the Articles of Association.
3. The main duties of the Board of Directors are:
  - a. To lead, manage and control the Company in accordance with the objectives of the Company and always strive to improve the efficiency and effectiveness of the Company;
  - b. Control, maintain and manage the Company's assets;
  - c. Prepare an annual work plan that contains the Company's annual budget and must be submitted to the Board of Commissioners to obtain approval from the Board of Commissioners, before the start of the next financial year. In order to support the effectiveness of the implementation of its duties and responsibilities, the Board of Directors can form a committee and must evaluate the performance of the committee at the end of the Company's fiscal year, and to support the implementation of good corporate governance principles by the Company, the Board of Directors is obliged to form, and has the authority to appoint and dismiss the company secretary or the composition of the company secretary work unit along with the person in charge.
4. The Board of Directors has the right to represent the Company inside and outside the Court regarding all matters and in all incidents, binding the Company with other parties and other parties with the Company, and taking all actions, both regarding management and ownership, by taking into account the provisions of the company's articles of association, the laws and regulations in force in the Capital Market in Indonesia.
5. The actions of the Directors as follows:
  - a. borrow or lend money on behalf of the Company (not including taking Company money at the Bank) except in the context of daily business activities;

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- b. establishing a new business or participating in other companies both at home and abroad;
- c. buying immovable property;
- d. bind the Company as guarantor / guarantor, with a value of less than or up to 50% (fifty percent) of the total assets of the Company within 1 (one) financial year, taking into account the provisions of the company's articles of association;
- e. sell, or otherwise release, or pledge and / or award the Company's assets, with a value of less than or up to 50% (fifty percent) of the total assets of the Company within 1 (one) financial year, taking into account budgetary provisions company base;

must obtain approval from the Board of Commissioners, taking into account the provisions of the laws and regulations in force in the Capital Market.

6. To carry out legal actions:
  - a. transfer, relinquish rights in the amount of more than  $\frac{1}{2}$  (one half) of the total net assets of the Company or constitute the entire assets of the Company, either in 1 (one) transaction or several independent transactions or related to each other in 1 (one) ) fiscal year; or
  - b. make a debt collateral which amounts to more than  $\frac{1}{2}$  (one half) of the total net assets of the Company or constitute the entire assets of the Company, either in 1 (one) transaction or several independent transactions or related to each other;

The Board of Directors must obtain approval from the General Meeting of Shareholders, which is attended or represented by shareholders who have at least  $\frac{3}{4}$  (three quarters) of the total number of shares with valid voting rights and approved by more than  $\frac{3}{4}$  (three per cent). four) part of the total number of shares with voting rights present at the General Meeting of Shareholders.

If in the aforementioned General Meeting of Shareholders referred to above the specified attendance quorum is not reached, then no sooner than 10 (ten) days and no later than 21 (twenty one) days after the first General Shareholders' Meeting, a second General Shareholders' Meeting may be held. with the same event as the first General Meeting of Shareholders.

The invitation to the second General Meeting of Shareholders must be made no later than 7 (seven) days before the second General Meeting of Shareholders, accompanied by information that the first General Meeting of Shareholders has been held but did not reach the attendance quorum.

For the second General Meeting of Shareholders to be called, it is not necessary to make an announcement in advance and the second General Meeting of Shareholders must be attended or represented by shareholders who have at least  $\frac{2}{3}$  (two thirds) of the total number of shares with valid voting rights. and approved more than  $\frac{3}{4}$  (three quarters) of the total number of shares with voting rights present at the General Meeting of Shareholders.

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In the event that the attendance quorum at the second General Meeting of Shareholders is also not reached, then the third General Meeting of Shareholders can be held legally and has the right to make decisions if attended by shareholders of shares with valid voting rights, in the attendance quorum and decision quorum, as well as conditions for summons, determined by the Financial Services Authority, at the request of the Company.

In the summons of the third General Meeting of Shareholders, it was stated that the second General Meeting of Shareholders had been held and did not reach the attendance quorum.

7. To carry out legal actions in the form of transactions that contain conflicts of interest between the personal economic interests of members of the Board of Directors, members of the Board of Commissioners or shareholders, with the economic interests of the Company, the Board of Directors requires the approval of the General Meeting of Shareholders as stipulated in the company's articles of association.
8. a. A member of the Board of Directors is not authorized to represent the Company if:
  - i. there is a case in court between the Company and the member of the Board of Directors concerned;
  - ii. members of the Board of Directors concerned have interests that conflict with the interests of the Company.
  - iii. members of the Board of Directors who are temporarily dismissed as referred to in Article 15 paragraph 6 of the company's articles of association, as of the decision of the temporary dismissal by the Board of Commissioners up to:
    - 1) there is a decision of the General Meeting of Shareholders which confirms or cancels the temporary dismissal; or
    - 2) the length of time as referred to in Article 15 paragraph 8 of the company's articles of association.
- b. In the case referred to in paragraph 8.a above, those entitled to represent the Company (without prejudice to the provisions in this Articles of Association are:
  - i. other members of the Board of Directors who do not have a conflict of interest with the Company;
  - ii. The Board of Commissioners in the event that all members of the Board of Directors have a conflict of interest with the Company; or
  - iii. other parties appointed by the General Meeting of Shareholders in the event that all members of the Board of Directors or the Board of Commissioners have a conflict of interest with the Company.
- c. The provisions in paragraphs 8.a and 8.b as mentioned above do not reduce the provisions of Article 23 paragraph 9 of the company's articles of association.
9. 2 (two) members of the Board of Directors are jointly entitled and authorized to act for and on behalf of the Directors and represent the Company.
10. Without reducing his responsibilities, the Board of Directors for certain actions also has the right to appoint one or more representatives or proxies by giving him power over certain actions stipulated in a power of attorney, such authority must be exercised in accordance with the Articles of Association.

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11. All actions of members of the Board of Directors that are in conflict with the Articles of Association are invalid.
12. The division of duties and authority of each member of the Board of Directors is determined by the General Meeting of Shareholders and that authority by the General Meeting of Shareholders can be delegated to the Board of Commissioners, if the General Meeting of Shareholders does not stipulate, then the distribution of duties and authority of the members of the Board of Directors is determined based on the decision of the Board of Directors.
13. The Board of Directors in managing and / or managing the Company is obliged to act in accordance with a decision determined by the General Meeting of Shareholders.

### **V. Tenure of Members Of The BOD**

1. A term of office for the members of the Board of Directors of no more than 5 (five) years or until the closing of the Annual General Meeting of Shareholders at the end of the 1 (one) term of office referred to, without prejudice to the right of the General Meeting of Shareholders to dismiss the members of the Board of Directors when -the time before his term of office expires, stating his reasons, after the member of the Board of Directors concerned is given the opportunity to be present at the General Meeting of Shareholders to defend himself at the General Meeting of Shareholders.
2. Such dismissal shall be effective since the closing of the General Meeting of Shareholders which decides its termination unless other date is determined by the General Meeting of Shareholders.
3. After the term of office ends, the members of the Board of Directors may be reappointed by the General Meeting of Shareholders, taking into account the laws and regulations in force in the Capital Market in Indonesia.
4. The position of a member of the Board of Directors ends if:
  - a. Die;
  - b. His tenure as members of Directors is over;
  - c. Dismissed based on the decision of the General Meeting of Shareholders;
  - d. Resign in accordance with the provisions in this Article;
  - e. Declared bankrupt or put under prosecution based on a court decision;
  - f. No longer fulfilling the requirements as a member of the Board of Directors based on the provisions of the Articles of Association and applicable laws and regulations.
5. Further regulations regarding the term of office of the Board of Directors shall be carried out with due regard to the provisions of the Company's articles of association, laws and regulations in force in the Capital Market in Indonesia.

### **VI. Directors Meeting Mechanisms and Decision Making**

1. The Board of Directors must hold a Board of Directors meeting at least 1 (one) time each month.
2. The Board of Directors' Meeting can be held if attended by a majority of all members of the Board of Directors.

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3. The President Director chairs the Board of Directors' Meeting.
4. In the event that the President Director is absent / or is unable to attend the Board of Directors' Meeting for any reason, it does not need to be proven to a third party, the Deputy President Director presides over the Board of Directors' Meeting. In the event that the Deputy President Director is absent, absent or absent for any reason, which does not need to be proven to a third party, then one of the Directors present and elected at the Directors' Meeting may chair the Directors' Meeting.
5. A member of the Board of Directors may be represented at a Board of Directors Meeting only by another member of the Board of Directors based on a power of attorney, and a member of the Board of Directors may only represent another member of the Board of Directors.
6. Directors' meetings are valid and have the right to make binding decisions if more than ½ (one half) of the total number of members of the Board of Directors are present or represented at the meeting.
7. Decisions of the Directors' Meeting must be made based on deliberation to reach consensus.
8. The Board of Directors must hold a Board of Directors meeting with the Board of Commissioners periodically at least 1 (one) time in 4 (four) months.
9. Furthermore, the mechanism of the Board of Directors' Meeting is carried out by taking into account the provisions of the articles of association, laws and regulations in force in the field of Capital Market in Indonesia.

### **Minutes of meetings**

1. The results of the Board of Directors' meeting must be stated in the minutes of the meeting, signed by all members of the Board of Directors present, and submitted to all members of the Board of Directors.
2. The results of the Board of Directors meeting together with the Board of Commissioners are set forth in the minutes of the meeting, signed by members of the Board of Directors and members of the Board of Commissioners present, and submitted to all members of the Board of Directors and members of the Board of Commissioners.
3. In the event that there are members of the Board of Directors and / or members of the Board of Commissioners who have not signed the results of the meeting as concerned, they must state the reasons in writing in a separate letter attached to the minutes of the meeting.
4. Minutes of meetings must be documented by the Company.

### **VII. Accountability And Reporting**

The Board of Directors must submit an annual report that has been approved by the Board of Commissioners, to the General Meeting of Shareholders.



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In the event of a discrepancy between the Directors' Work Guidelines and the applicable laws and regulations, the applicable laws and regulations will be applied.