

**PT. AKR Corporindo, Tbk**  
**ASEAN CORPORATE GOVERNANCE SCORECARD (ACGS)**

Version: 2019

**PART B**  
**EQUITABLE TREATMENT OF SHAREHOLDERS**

No.	Questions	Guiding Reference	Y / N	Implementation	Evidence/Source Document
B.1	<b>Share and voting rights</b>				
B.1.1	Do the company's ordinary or common shares have one vote for one share?	<b>OECD Principle III</b> <b>(A) All shareholders of the same series of a class should be treated equally.</b> (1) Within any series of a class, all shares should carry the same rights. All investors should be able to obtain information about the rights attached to all series and classes of shares before they purchase. Any changes in voting rights should be subject to approval by those classes of shares which are negatively affected.	<b>Yes</b>	One share has one vote as stated on Articles of Association article No 12 point 5	The Latest Company's Articles of Association can be downloaded on AKR's website: <a href="#">download</a>
B.1.2	Where the Company has more than one class of shares, does the company publicise the voting rights attached to each class of shares (eg., through the Company website / reports / the stock exchange/ the regulator's website) ?	<b>ICGN 8.3.1 Unequal voting rights</b> Companies ordinary or common shares should feature one vote for one share. Divergence from a 'one-share, one-vote' standard which gives certain shareholders power which is disproportionate to their equity ownership should be both disclosed and justified	<b>N/A</b>	Not applicable	

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<b>B.2</b>	<b>Notice of AGM</b>				
B.2.1	Does each resolution in the most recent AGM deal with only one item, i.e. there is no bundling of several items into the same resolution?	<p><b>OECD Principle II</b></p> <p>(C) Shareholders should have the opportunity to participate effectively and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern shareholder meetings:</p> <p>(1) Shareholders should be furnished with sufficient and timely information concerning the date, location and agenda of general meetings, as well as full and timely information regarding the issues to be decided at the meeting.</p>	<b>Yes</b>	Each resolution deal with one item	Resolution result of the AGM for the fiscal year 2018 published in newspaper (Bisnis Indonesia), IDX website and also AKR website on May 3, 2019. <a href="#">download</a>
B.2.2	Are the company's Notice of the most recent AGM / circular fully translated and published on the same date as the local-language version	(3) Effective shareholder participation in key corporate governance decisions, such as the and election of board members, should be facilitated	<b>Yes</b>	Notice of AGM/circular provided in dual language, (local and English) and published on same date and uploaded into website	Notice of AGM for Fiscal Year 2018 published in newspaper (Bisnis Indonesia), IDX website and also AKR website on April 8, 2019. <a href="#">download</a>

No.	Questions	Guiding Reference	Y / N	Implementation	Evidence/Source Document
	Does the Notice of AGM / circular have the following details :				
B.2.3	Are the profiles of directors/commissioners (at least age, academic qualification, date of first appointment, experience, and directorships in other listed companies) in seeking election / reelection included?	<p><b>OECD Principle III</b> (A) All shareholders of the same series of a class should be treated equally.</p> <p>(4) Impediments to cross border voting should be eliminated.</p> <p><b>ICGN 8.3.2 Shareholder participation in governance</b> Shareholders should have the right to participate in key corporate governance decisions, such as the right to nominate, appoint and remove directors in an individual basis and also the right to appoint external auditor.</p> <p><b>ICGN 8.4.1 Shareholder ownership rights</b> The exercise of ownership rights by all shareholders should be facilitated, including giving shareholders timely and adequate Notice of all matters proposed for shareholder vote</p>	Yes	Profile of Director / Commissioners provided in explanatory statement to the notice of AGM and published in company website	<a href="#">Curriculum Vitae of candidate of Commissioner</a>
B.2.4	Are the auditors seeking appointment/re-appointment clearly identified?		Yes	Details of Auditors is stated in Agenda of AGM and further explained in Explanatory Statement to the Agenda	Summary of minutes of the AGM published in newspaper (Bisnis Indonesia), IDX website and also AKR website on May 3, 2019. <a href="#">download</a>
B.2.5	Has an explanation of the dividend policy been provided?		Yes	Dividend policy stated in annual report and company filing	Summary of minutes of the AGM published in newspaper (Bisnis Indonesia), IDX website and also AKR website on May 3, 2019. <a href="#">download</a>  It was also stated in Annual Report 2018 page 50
B.2.6	Is the amount payable for final dividends disclosed?		Yes	Final dividend approval disclosed in the AGM result and published	Summary of minutes of the AGM published in newspaper (Bisnis Indonesia), IDX website and also AKR website on May 3, 2019. <a href="#">download</a>
B.2.7	Documents requires to be proxy / Were the proxy		Yes	Proxy documents readily available from share	Proxy Document of AGM available on AKR's website: <a href="#">download</a>

	documents made easily available			registrar and provided in company website	
No.	Questions	Guiding Reference	Y / N	Implementation	Evidence/Source Document
<b>B.3.</b>	<b>Insider trading and abusive self-dealing should be prohibited</b>				
B.3.1	Does the company have policies and/or rules prohibiting directors/commissioners and employees to benefit from Knowledge which is not generally available to the market	<p><b>OECD Principle III (B) Insider trading and abusive dealing should be Prohibited</b></p> <p><b>ICGN 3.5 Employee share dealing</b> Companies should have clear rules regarding any trading by directors and employees in the company's own securities. Among other issues, these must seek to ensure individuals do Not benefit from knowledge which is not generally available to the market.</p>	<b>Yes</b>	Company had socialized policies regarding share transaction by Directors and Commissioner and reports transations to OJK/ Stock exchange within stipulated period	<p>The company put integrity as the first working culture. Code of Conduct is available on website: <a href="#">download</a></p> <p>it is also emphasized in Guideline of BOD &amp; BOC (values): <a href="#">download</a></p>
B.32	Are the directors / commissioners required to report their dealing in company shares with in 3 business days?	<p><b>ICGN 8.5 Shareholder rights of action</b> Minority shareholders should be afforded protection and remedies against abusive or oppressive conduct.</p>			it is implied in Guideline of BOD & BOC related to reporting and responsibilities of Directors <b>No 14 and Commisioners No 13</b>

<b>B.4</b>	<b>Related Party transaction by Directors and key executives</b>				
B.4.1	Are Directors and commissioners required to disclose their interest in transaction and any other conflicts of interest	<b>OECD Principle III</b>	<b>Yes</b>	Transaction which has conflict of interest are disclosed	Affiliations among directors is disclosed in Annual Report 2019 pg 234
No.	Questions	Guiding Reference	Y / N	Implementation	Evidence/Source Document

B.4.2	Does the company have a policy requiring a committee of independent directors/commissioners to review material/significant RPTs to determine whether they are in the best interests of the company and shareholders?	(C) Members of the board and key executives should be required to disclose to the board whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the corporation	<b>Yes</b>	Material Transaction/related party transaction reviewed and approved by BOC	Annual Report 2018 page 249 About Audit Committee Duties and Responsibilities
B.4.3	Does the company have a policy requiring board members (directors/commissioners) to abstain from participating in the board discussion on a particular agenda when they are conflicted?	<b>ICGN 2.11.1 Related party transactions</b> Companies should have a process for reviewing and monitoring any related party transaction. A committee of independent directors should review significant related party transactions to determine whether they are in the best interests of the company and if so to determine what terms are fair.	<b>Yes</b>	As and when required will be enforced	The Latest Company's Articles of Association can be downloaded on AKR's website. <a href="#">download</a>
B.4.4	Does the company have policies on loans to directors and commissioners either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rates?	<b>ICGN 2.11.2 Director conflicts of interest</b> Companies should have a process for identifying and managing conflicts of interest directors may have. If a director has an interest in a matter under consideration by the board, then the director should Not participate in those discussions and the board should follow any further appropriate processes. Individual directors should be conscious of shareholder and public perceptions and seek to avoid situations where there might be an appearance of a conflict of interest.	<b>Yes</b>	Loans of Directors provided strictly as per the OJK regulation and properly discussed	it is enforced in Guideline of BOD & BOC (Duties, Responsibilities, and Authorities): <a href="#">download</a>

No.	Questions	Guiding Reference	Y / N	Implementation	Evidence/Source Document
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B.5	<b>PROTECTING MINORITY SHAREHOLDERS FROM ABUSIVE ACTIONS</b>				
B.5.1	Were there any RPTs that can be classified as financial assistance to entities other than wholly-owned subsidiary companies?	<p><b>OECD Principle III</b>  <b>(A) All shareholders of the same series of a class should be treated equally.</b>                  (2) Minority shareholders should be protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and should have effective means of redress.</p>	<b>Yes</b>	OJK rules in this regard strictly followed and discussed	
B.5.2	Does the company disclose that RPTs are conducted in such a way to ensure that they are fair and at arms' length ?	<p><b>ICGN 2.11.1 Related party transactions</b>                  Companies should have a process for reviewing and monitoring any related party transaction. A committee of independent directors should review significant related party transactions to determine whether they are in the best interests of the company and if so to determine what terms are fair.</p> <p><b>ICGN 2.11.2 Director conflicts of interest</b>                  Companies should have a process for identifying and managing conflicts of interest directors may have. If a director has an interest in a matter under consideration by the board, then the director should not participate in those discussions and the board should follow any further appropriate processes. Individual directors should be conscious of shareholder and public perceptions and seek to avoid situations where there might be an appearance of a conflict of interest.</p> <p><b>ICGN 8.5 Shareholder rights of action</b>                  Shareholders should be afforded rights of action and remedies which are readily accessible in order to redress conduct of company which treats them inequitably. Minority shareholders should be afforded protection and remedies against abusive or oppressive conduct.</p>	<b>Yes</b>	<p>All related party transaction conducted in fair manner and at arm length basis.</p> <p>The Group has transactions with related parties as defined under PSAK No. 7 (Revised 2010), "Related Party Disclosures".</p> <p>This revised PSAK stated that the transaction with parties who treated equally or called as arm's length transaction must be disclosed.</p>	Annual Report 2018 page 404