

WHISTLEBLOWING SYSTEM AND GRIEVANCE

Legal Basis

1. Law Number 8 of 1995 concerning the Capital Market;
2. Guidelines for the Implementation of Good Corporate Governance;
3. Company Code of Ethics.

Whistleblowing System

In order to support the implementation of Good Corporate Governance (GCG) within the Company, a good and efficient oversight system is needed, including the stakeholders. The Company has a reporting system that can be monitored directly by the President Director for all types of violations, including:

1. Frauds (fraud);
2. Manipulation of data and reports;
3. There exists a conflict of interest
4. Misuse of the Company's business data;
5. Other GCG violations.
6. Submission of other types of grievances not contained within this list.

Impack has a formal reporting system or Whistleblowing System (WBS) which has been implemented in every aspect of the company's business activity. Reporting violations and submitting grievance can be done by internal parties and from outside the company via WBS.

Apart from using the WBS mechanism, internal and external parties can also submit grievance directly. For internal company matters, employees can directly convey this to the Unit Head, their superiors and/or HR in the unit at work. Meanwhile, external parties to the company can submit grievance through the HR Unit or other company contact persons.

Protection for Whistleblowers

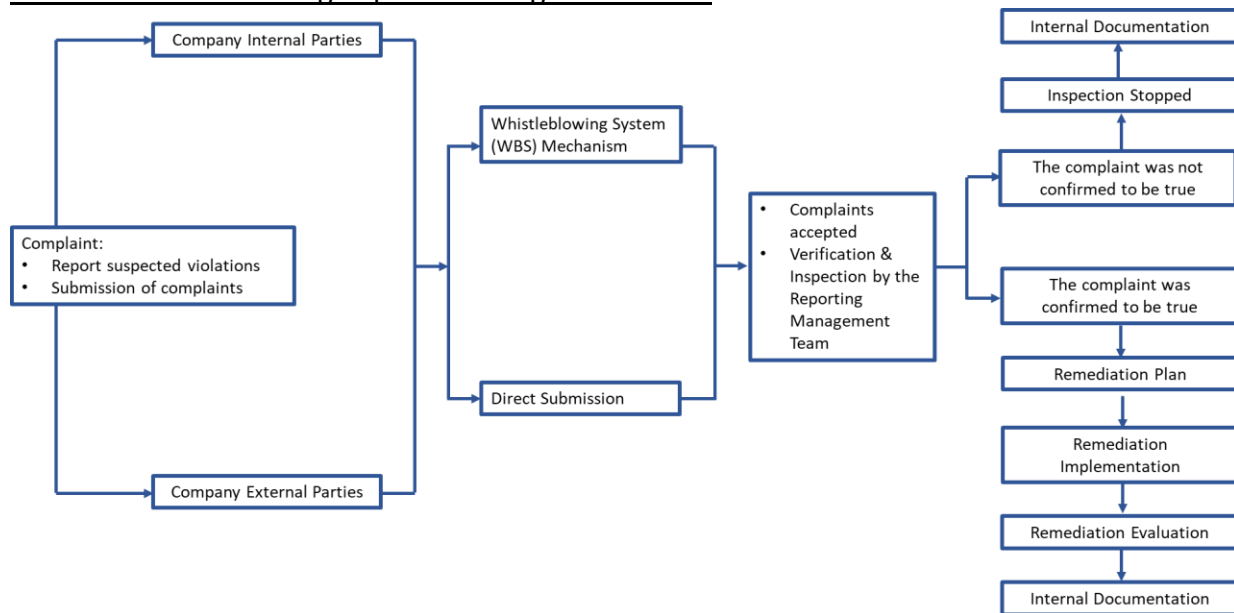
The protection provided by the Company to the whistleblower is:

1. The protection of the identity of the reporter and the contents of the submitted report are guaranteed to be confidential by the Company.
2. The Company guarantees the protection of the whistleblower from all forms of threats, intimidation, or unpleasant actions from any party as long as the reporter maintains the confidentiality of the violation submitted to any party.
3. The protection of whistleblowers also applies to parties conducting investigations as well as parties providing information related to grievance/disclosures.
4. In carrying out the follow-up process on each grievance/disclosure, it is obligatory to prioritize confidentiality, the principle of presumption of innocence and professionalism.
5. Employees who violate the principle of confidentiality will be given sanctions in accordance with the applicable provisions in the Company.

Report Handling Mechanism

All reported violations and grievance that meet the verification criteria will be followed up and handled in accordance with applicable company provisions and policies. The following is a flow chart for reporting suspected violations and submitting grievance:

Flowchart for Submitting Reports of Alleged Violations



Any indication of violation can be reported to:

Reporting Management Team of PT Impack Pratama Industri Tbk

Email: whistleblower@impack-pratama.com

Every report received will be verified and followed up in accordance with the reporting handling mechanism.

The Handling of Grievance

1. Every employee within the Company and its subsidiaries has the same rights in submitting grievance.
2. The contents of the grievance must be constructive and could improve the company's performance within the Company and its subsidiaries.
3. Every incoming grievance will only be read by the Company's Reporting Management Team and will be kept confidential.
4. Each grievance must include the sender's correct identity, as this is a prerequisite for addressing the grievance. If the sender's identity is not provided, the grievance will not be processed.
5. The content of the submitted grievance must adhere to high ethical and moral standards. It should not include words or phrases containing SARA (Suku, Agama, Ras, Antar Golongan), insults, pornography, inappropriate language, or defamatory statements. Additionally, the sender must be able to provide evidence upon request.
6. The Reporting Management Team will select every grievance received and will follow up on the grievance based on a priority scale.

Sanctions for Violations

Every employee of the Company who is proven to have violated this GCG Guidelines will be given a sanction in accordance with the applicable policies and laws and regulations, namely:

- a. Sanctions for employees who commit violations are decided by their direct supervisor or the Board of Directors according to the level of the violation after receiving a report on the violation committed by the employee concerned.
- b. The Board of Directors offers guidance on coaching actions, disciplinary measures, and other necessary interventions, as well as preventive measures to be implemented by direct supervisors within their respective areas
 - a. Sanctions for the Board of Directors who commit violations are decided by the Board of Commissioners.
 - b. Sanctions for the Board of Commissioners who commit violations are decided by the Shareholders.
- c. If the Work Partners or Stakeholders violate any terms, they will be held accountable according to the provisions outlined in the contract. In cases involving criminal activity, the matter may be referred to the authorities.

Implementation and Violation of GCG Guidelines

1. The company must actively disclose the extent of the implementation of GCG principles and the problems encountered.
2. One of the Directors or appointed officials are obliged to monitor and maintain the implementation of GCG as well as possible.
3. The assessment will cover several aspects, including the Company's adherence to the Corporate Governance Guidelines, the practices undertaken, any conditions that hinder the implementation of Good Corporate Governance (GCG), and the development of required corrective measures.
4. In fulfilling their responsibilities, the Board of Directors and the Board of Commissioners must adhere to the principles of professionalism and efficiency, as well as the tenets of Good Corporate Governance (GCG), which include transparency, accountability, responsibility, independence, and fairness
5. Every employee are required to report suspected violations of GCG principles.
6. The identity of the reporting employee must be maintained unless required to follow up the report.
7. No sanctions or punishments will be imposed on the reporter unless it is subsequently determined that the individual is involved and the report is found to be inaccurate