

**STD — FIN — 03**

**Batas-batas Otorisasi**  
*(Delegate of Authority)*

**SCG Concrete Indonesia**

PT. SCG Readymix Indonesia

PT. SCG Pipe and Precast Indonesia

PT. Pion Quarry Nusantara

**APPROVAL AUTHORITY**

**MANUAL**

## Introduction

### 1. Objectives

- 1.1 To delegate responsibility, decision making and authority to assigned personnel regarding to daily operation.
- 1.2 To inform staff the scope of their responsibilities and approval authorities.
- 1.3 To be used as an operation manual and to be reference.
- 1.4 To use for the SCG Concrete business in Indonesia (PT.SCG Readymix Indonesia, PT.SCG Pipe and Precast Indonesia and PT. Pion Quarry Nusantara)

### 2. Principles

#### 2.1 Delegation of Approval Authority

- 2.1.1 The Board of Commissioner delegates their approval authority to the Vice President - Regional Business.
- 2.1.2 The Vice President - Regional Business may further delegate part of Approval Authority to the appropriate employee.
- 2.1.3 Authorized persons may further delegate their Approval Authority to their subordinate(s) one level lower.

#### 2.2 Proposal and/or revision of Approval Authority Manual

With consent of SCG Internal Audit office, the Vice President - Regional Business is responsible for the submission of the proposal and/or revision of the Approval Authority Manual for the approval of the Board of Commissioner.

#### 2.3 Execution of the Approval Authority

##### 2.3.1 Self approval

No employee of any level, except the Vice President - Regional Business, is entitled to self-approval. All approval must be signed by his/her respective supervisor.

##### 2.3.2 Delegation to subordinates

Approval authority may be delegated to subordinates one level lower with written approval from the delegating employee's superior. However, the ones who delegated their authorities to eligible persons still are engaged for complete responsibility as they had approved by themselves. Therefore, the delegation and follow up procedure after delegation must be meticulously performed.

##### 2.3.3 The scope of use the Approval Authority Manual

###### a) Use by a person in a particular position and work assigned

**General situation:** An employee appointed to a position (or acting on behalf) may use the authority for that position that is specified in the Approval Authority Manual without prior written assignment from supervisor

**Specific situation:** General Manager onwards may delegate some authority, or none at all, of a position to an employee that has been appointed to that position.

###### b) Use of the Approval Authority Manual in the assigned duties only

c) "Acting staff" and "Acting staff in position" are entitled for the approval authority of position they take charge of in a period of time that has been assigned in writing.

###### d) In urgent necessary cases when the authorized personnel in the manual is absent, one level-lower

subordinates may act on his behalf and then report, in writing, to the authorized person or let him ratify the action his subordinate has performed.

- e) Any action/procedure not mentioned in the Delegation of Authority Manual should be submitted to Vice President - Regional Business for consideration on case by case basis.

#### 2.4 Type of the Approval Authority Manual – divided into 3 types as follows:

##### 2.4.1 General approval authority

This is the authority that is used throughout the company. In this case employees of the same level will have similar approval authority e.g. personnel authority, general administration authority.

##### 2.4.2 Specialty approval authority

This is the authority for a specific issue or a specific section of the company and cannot be used by another section e.g. procurement for project construction.

##### 2.4.3 IT approval authority

This is the IT authority that is used throughout the company in SCG Network

#### 2.5 The Approval Authority Manual – Overseas (in IDR)

2.5.1 The Delegation of Authority Manual in IDR is used as the main currency as of the date that the Delegation of Authority Manual is effectiveness (1 THB = 400 IDR).

2.5.2 To adjust an impact of currency exchange rate, the Delegation of Authority Manual in IDR will be adjusted when the value of the exchange rate between THB and IDR has a significant change and leads to an inappropriate value.

##### 2.5.3 The Delegation of Authority Manual (in IDR)

2.5.3.1 When the Delegation of Authority Manual of Business Group is adjusted, the Delegation of Authority Manual in THB/IDR will be adjusted automatically.

2.5.3.2 In case of any change of specific subject of the Approval Authority Manual. Business Unit is responsible for the changes and sends through the respective supervisor to consider before and inform Internal Audit Office SCG to have an opinion and consideration. If the Delegation of Authority Manual complies with the principal and other concerned issue, business unit will submit to Vice President - Regional Business for approval.

### 3. To define the subject in the Approval Authority Manual

#### 3.1 The subject is defined the same

Authority by The Siam Cement Public Company Limited (SCC) Board of Directors resolution and SCG Management Committee resolution.

#### 3.2 The subject is defined in line with the practice

Authority by rules and practices of SCG such as accounting, human resource and etc.

#### 3.3 The subject is defined the difference

Authority by specific rules and practices that defined for each business such as production, marketing and etc.

#### 4. Meaning of Initials

BOC	- Board of Commissioner
VP	- Vice President - Regional Business
PD	- President Director of the company
VPD	- Vice President Director of the company
GM	- General Manager and Director of the company
Manager	- Department Manager or Equivalent Rank
Section Mgr.	- Section Manager, Assistant of Department Manager or Equivalent Rank
SPV	- Supervisor, Assistant of Section Manager or Equivalent Rank
MDC	- SCG Management Development Committee
SCC	- The Siam Cement Public Company Limited
SCG	- Siam Cement Group
A	- Approval
A1*	- Submit to SCC Board of Directors prior to operation
A2*	- Submit to President of SCC/SCG Management Committee prior to operation
S	- Signature
R	- Report for acknowledgement
(Blank)	- Approval Authority at a higher level
-	- No Approval Authority

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## Approval Authority Manual

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Item	<div style="display: flex; align-items: center; justify-content: space-around;"> <div style="text-align: center;"> <input checked="" type="checkbox"/> General </div> <div style="text-align: center;"> <input type="checkbox"/> Speciality </div> </div>	Authority of								Remarks
		BOC	VP	PD	VPD	GM	Manager	Section Mgr.	SPV	
1.	Capital expenditure budget approval (continue)									
	1.6 Request to change type of CE Budget causing by missing budget cataegory requested, which has the related document such as RMA is AUC/GIT or AUC AUC is RMA/GIT or GIT is RMA/AUC					A	-	-	-	
	1.7 Request to stop/continue using budget for a temporary period			A	-	-	-	-	-	
	1.8 Cancellation of CE Budget			A	-	-	-	-	-	
2	Administrative expense, marketing expense and factory overhead expense budget									
	2.1 Request for Annual Budget	A*1	-	-	-	-	-	-	-	
	2.2 Request for increase/decrease budget during year		A	-	-	-	-	-	-	
	2.3 Request to use expenses in excess of already approved yearly budget									
	2.3.1 Contribution to public charity expense									
	- amount exceeding 800 Million IDR	A*1	-	-	-	-	-	-	-	
	- amount not exceeding 800 Million IDR	A*2	-	-	-	-	-	-	-	
	- amount not exceeding 200 Million IDR		A	-	-	-	-	-	-	
	2.3.2 Other administrative expenses									
	- exceeding 5% of total budget of each division or office		A	-	-	-	-	-	-	
	- not exceeding 5% of total budget of each division or office									
	- exceeding 10% of each budget type		A	-	-	-	-	-	-	
	- not exceeding 10% of each budget type			A	-	-	-	-	-	
	2.4 Request for spending expenses that are not provided in budget									
	2.4.1 Contribution to public charity expense									
	- amount exceeding 800 Million IDR	A*1	-	-	-	-	-	-	-	
	- amount not exceeding 800 Million IDR	A*2	-	-	-	-	-	-	-	
	- amount not exceeding 200 Million IDR		A	-	-	-	-	-	-	

	Verified by  Internal Audit Director Date 1 July 2015	Approved by  Board of Commissioner Date 1 July 2015
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Item	<div style="text-align: center;"> <input checked="" type="checkbox"/> General      <input type="checkbox"/> Speciality                       Budgeting                       Issue :                 </div>	Authority of								Remarks
		BOC	VP	PD	VPD	GM	Manager	Section Mgr.	SPV	
2	Administrative expense, marketing expense and factory overhead expense budget (continue)									
	2.4 Request for spending expenses that are not provided in budget									
	2.4.2 Other administrative expenses									
	- amount exceeding 8,000 Million IDR for each division/office	A*2	-	-	-	-	-	-	-	
	- amount not exceeding 8,000 Million IDR for each division/office		A	-	-	-	-	-	-	
	- amount not exceeding 200 Million IDR for each division/office			A	-	-	-	-	-	
3	Standard Variable Cost Budget			A	-	-	-	-	-	
4	Fixed Overhead Cost Budget									
	4.1 Request for Annual Budget		A	-	-	-	-	-	-	
	4.2 Request for increase/decrease budget during year		A	-	-	-	-	-	-	
	4.3 Request for spending expenses in excess of approved									
	4.3.1 exceeding 5% of total budget of each division or office		A	-	-	-	-	-	-	
	4.3.2 not exceeding 5% of total budget of each division or office									
	- exceeding 10% of each budget type		A	-	-	-	-	-	-	
	- not exceeding 10% of each budget type			A	-	-	-	-	-	
	4.4 Request for spending expenses that are not provided in budget (per division/office)									
	- amount exceeding 800 Million IDR	A*2	-	-	-	-	-	-	-	
	- amount not exceeding 800 Million IDR		A	-	-	-	-	-	-	
	- amount not exceeding 200 Million IDR			A	-	-	-	-	-	
		Verified by				Approved by				
		Internal Audit Director				Board of Commissioner				
		Date 1 July 2015				Date 1 July 2015				

## SCG CONCRETE INDONESIA (SRMI/SPPI/PQN)

## Approval Authority Manual

Item	<div style="display: flex; align-items: center; justify-content: space-around;"> <div style="text-align: center;"> <input checked="" type="checkbox"/> General </div> <div style="text-align: center;"> <input type="checkbox"/> Speciality </div> </div> <div style="margin-top: 10px;">Issue : Accounting</div>	Authority of								Remarks
		BOC	VP	PD	VPD	GM	Manager	Section Mgr.	SPV	
1.	To use the generally accepted accounting principles or different from current practice	A*1	-	-	-	-	-	-	-	Report to CAD and Administrative Division Manager of CPAC before operating
2.	Provision of accounts									
	2.1 Determination/change of depreciation rates	A*2	-	-	-	-	-	-	-	Consideration from VP-Finance and Investment & CFO, SCG before submit to BOC for approval
	2.2 Provisions for bad debts or losses in accordance to generally accepted accounting standard		A	-	-	-	-	-	-	
	2.3 Assets adjustment, for each time (at book value)									
	- amount exceeding 8,000 Million IDR	A*2	-	-	-	-	-	-	-	
	- amount not exceeding 8,000 Million IDR		A	-	-	-	-	-	-	
	- amount not exceeding 800 Million IDR			A	-	-	-	-	-	
	- amount not exceeding 80 Million IDR				A	-	-	-	-	
	2.4 To write off the bad debts at each times									Comply with the laws
	- amount exceeding 20,000 Million IDR	A*2	-	-	-	-	-	-	-	
	- amount not exceeding 20,000 Million IDR		A	-	-	-	-	-	-	
	- amount not exceeding 200 Million IDR			A	-	-	-	-	-	Account receivable -trade must be reported to Credit Committee by monthly
3.	Accounting Practice									
	3.1 To approve voucher for transaction entry						A	-	-	
	3.2 To correct/adjust accounting transaction						A	-	-	
	3.3 To set up accounting code/correct/cancel					A	-	-	-	Endorsement by SCG
	3.4 To verify voucher								A	Corporate Accounting Office
4	Adjusting standard cost			A	-	-	-	-	-	
5	Change of accounting practice					A	-	-	-	
		Verified by				Approved by				
		Internal Audit Director				Board of Commissioner				
		Date 1 July 2015				Date 1 July 2015				

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Item	<div style="display: flex; align-items: center; justify-content: space-around;"> <div style="text-align: center;"> <input checked="" type="checkbox"/> General </div> <div style="text-align: center;"> <input type="checkbox"/> Speciality </div> </div>	Authority of								Remarks
		BOC	VP	PD	VPD	GM	Manager	Section Mgr.	SPV	
1.	To appoint or to change authorized personnel for signing financial documents - class "A" and class "B"	A	-	-	-	-	-	-	-	- 2 directors sign on document and inform bank
2.	To sign financial documents									
	2.1 Documents required co - signatures by 2 persons either one of them must be a class "A" authorized person									
	2.1.1 To issue Cheque, Promisory Note, Bill of exchange, Acceptance of Bill of exchange, and Trust Receipt									
	2.1.2 To allow bank to deduct money from Current Account									
	2.1.3 To admit to redeem debt as stated in guarantee agreement									
	2.1.4 To certify liability									
	2.1.5 To open L/C including increase financial amount of L/C and extend									
	2.1.6 To sign transferring money among bank									
	2.1.7 To request bank to open L/C and L/C Amendment									
	2.1.8 To request Trust Receipt for import custom duty									- Signers are appointed
	2.1.9 To request credit for importing e.g. Trust Receipt									as authorized person of
	2.1.10 To request pre shipment loan e.g. packing credit									A-type and B-type
	2.1.11 To request post shipment loan e.g. request bank to purchase shipping ticket according to L/C, D/A, D/P, O/A									as per item 1
	2.1.12 To request bank to release guarantee document eg. Bank Guarantee (B/G), Standby L/C, Advance Bond, Performance Bond, Bid Bond									
	2.1.13 To sign on short term loan agreement									
	2.1.14 To do foreign exchange hedging contracts both buying and selling rates e.g. Forward Contract, Spot Rate									
	2.1.15 Certify the discrepancy in L/C									
	2.1.16 To request bank to transfer company's L/C to other beneficiaries									

Verified by

Internal Audit Director

Date 1 July 2015

Approved by

Board of Commissioner

Date 1 July 2015

## SCG CONCRETE INDONESIA (SRMI/SPPI/PQN)

## Approval Authority Manual

Item	<input checked="" type="checkbox"/> General <input type="checkbox"/> Speciality Issue : Finance	Authority of								Remarks
		BOC	VP	PD	VPD	GM	Manager	Section Mgr.	SPV	
2.	To sign financial documents (Cont.)									
	2.2 Document signed by only one authorized person									
	(Authorized person class "A" and class "B")									
	2.2.1 Cheque endorsment for bank deposit									
	2.2.2 Application form for permission to exchange foreign currency									
	2.2.3 Endorsement of Bill of Lading (BL)									
	2.2.4 Confirm of current account deduction which is already allowed									- Signers are appointed as authorized person of
	2.2.5 Certify the discrepancy in L/C									A-type and B-type
	2.2.6 To sign on Invoice, Delivery Paper and Packing List									as per item 1
	2.2.7 To sign on Certificate of Country of Origin and other certifications from government body, institutions and embassies									
	2.2.8 To sign on Invoice and Packing List									
	2.2.9 To sign on bill of exchange of export									
	2.2.10 To sign on Request for Negotiation of Bill of Lading for export									
3.	To open and to close bank account	A	-	-	-	-	-	-	-	- Specific for reponsible person
4	To disburse the existing banks approved company debt for each time (Specific for reponsible person)									- Supporting Documents are as follow
	4.1 Debt with complete supporting documents									1. Purchase order (P/O) or sales contract
	- amount exceeding 120 Million IDR					A	-	-	-	2. Delivery paper or invoice
	- amount not exceeding 120 Million IDR						A	-	-	signed by the authorized person
	4.2 Debt without supporting documents or incomplete supporting documents									
	- amount exceeding 200 Million IDR		A	-	-	-	-	-	-	
	- amount not exceeding 200 Million IDR			A	-	-	-	-	-	
	- amount not exceeding 80 Million IDR				A	-	-	-	-	
	- amount not exceeding 12 Million IDR					A	-	-	-	
		Verified by					Approved by			
		Internal Audit Director					Board of Commissioner			
		Date 1 July 2015					Date 1 July 2015			

## SCG CONCRETE INDONESIA (SRMI/SPPI/PQN)

## Approval Authority Manual

Item	<div style="display: flex; align-items: center; gap: 20px;"> <div style="text-align: center;"> <input checked="" type="checkbox"/> General </div> <div style="text-align: center;"> <input type="checkbox"/> Speciality </div> </div> <div style="margin-top: 10px;">Issue : Finance</div>	Authority of								Remarks
		BOC	VP	PD	VPD	GM	Manager	Section Mgr.	SPV	
5	To set up petty cash			A	-	-	-	-	-	- Specific for responsible person
6	Approval of cash advance/fixed advance for local expenses, for each time									
	- amount exceeding 35 Million IDR		A	-	-	-	-	-	-	
	- amount not exceeding 35 Million IDR			A	-	-	-	-	-	
	- amount not exceeding 25 Million IDR				A	-	-	-	-	
	- amount not exceeding 15 Million IDR					A	-	-	-	
	- amount not exceeding 10 Million IDR						A	-	-	
7	Entertainment or gift expenditure according to approved budget at each time									- only PD has authority for self-approval for each time
	- amount exceeding 20 Million IDR		A	-	-	-	-	-	-	for entertainment PD (M4)
	- amount not exceeding 20 Million IDR			A	-	-	-	-	-	not exceeding 4 million IDR,
	- amount not exceeding 15 Million IDR				A	-	-	-	-	PD (M3) not exceeding
	- amount not exceeding 8 Million IDR					A	-	-	-	1.6 million IDR
8	Public relations expenditure according to approved budget at each time									
	- amount exceeding 40 Million IDR		A	-	-	-	-	-	-	
	- amount not exceeding 40 Million IDR			A	-	-	-	-	-	
	- amount not exceeding 20 Million IDR				A	-	-	-	-	
9	Payment for deposit of guarantee, for each time									
	- amount exceeding 200 Million IDR		A	-	-	-	-	-	-	
	- amount not exceeding 200 Million IDR			A	-	-	-	-	-	
	- amount not exceeding 100 Million IDR				A	-	-	-	-	
	- amount not exceeding 4 Million IDR					A	-	-	-	
10	To sign payment receipts						S	-	-	
11.	To sign import / export reports					S	-	-	-	
		Verified by				Approved by				
		Internal Audit Director				Board of Commissioner				
		Date 1 July 2015				Date 1 July 2015				



## SCG CONCRETE INDONESIA (SRMI/SPPI/PQN)

# Approval Authority Manual

Item	<div style="display: flex; align-items: center;"> <input checked="" type="checkbox"/> General           <div style="margin-left: 20px;"><input type="checkbox"/> Speciality</div> </div> Issue : Finance	Authority of								Remarks
		BOC	VP	PD	VPD	GM	Manager	Section Mgr.	SPV	
12.	Donation expenditures to public charity in budget of Corporate CSR Committee for Sustainable Development									- Corporate Communication Office collect and proposes for approval
	12.1 Corporate donation budget from Board of Directors (75%)									
	- amount exceeding 800 Million IDR	A*1	-	-	-	-	-	-	-	
	- amount not exceeding 800 Million IDR	CSR Committee for Sustainable Development								
	12.2 Donation budget from SCG Management Committee (25%)									
	- amount exceeding 800 Million IDR	A*1	-	-	-	-	-	-	-	
	- amount not exceeding 800 Million IDR	A*2	-	-	-	-	-	-	-	- Corporate Communication Office report to CSR Committee for Sustainable Development on quarterly basis
13.	Donation expenditures to public charity in budget of company									
	- amount exceeding 800 Million IDR	A*1	-	-	-	-	-	-	-	- Annual donation budget for each company is up to 20% of net profit
	- amount not exceeding 800 Million IDR	A*2	-	-	-	-	-	-	-	
	- amount not exceeding 200 Million IDR		A	-	-	-	-	-	-	- Corporate Accounting Office gather and report to Corporate Communication Office on monthly basis
	- amount not exceeding 20 Million IDR			A	-	-	-	-	-	
14.	Borrowing short term loan and release short term debenture (not over 1 year) at each time									
	- amount exceeding 200,000 Million IDR	A*2	-	-	-	-	-	-	-	
	- amount not exceeding 200,000 Million IDR		A	-	-	-	-	-	-	
	[Short-term loan means general short-term credit line, O/D (Overdraft), L/C Line (Letter of Credit), T/R Line (Trust Receipt) and Packing Credit Line]									

Verified by  
  
Internal Audit Director  
  
Date 1 July 2015

Approved by  
  
Board of Commissioner  
  
Date 1 July 2015

## SCG CONCRETE INDONESIA (SRMI/SPPI/PQN)

## Approval Authority Manual

Item	<input checked="" type="checkbox"/> General <input type="checkbox"/> Speciality Issue : Personnel	Authority of								Remarks
		BOC	VP	PD	VPD	GM	Manager	Section Mgr.	SPV	
1.	To approve budget for manpower									
	1.1 Employee level M.3 or above	A*1	-	-	-	-	-	-	-	- Consideration of MDC
	1.2 Employee level M2, M1		A	-	-	-	-	-	-	- Consideration of HR's
	1.3 Employee level S and O		A	-	-	-	-	-	-	- Business Committee
2.	To approve annual budget for salary/wage increase									
	2.1 Employee level M.3 or above	A*1	-	-	-	-	-	-	-	- Consideration of MDC and
										Remuneration Committee
										for M.4 or above
	2.2 Employee level M2, M1, S and O		A	-	-	-	-	-	-	- Consideration of HR's
										Business Committee and
										report to MDC for employee
										level M.2, M.1
3.	To approve bonus	A*1	-	-	-	-	-	-	-	- Consideration of MDC and
										Remuneration Committee
										for M.4 or above
4	To set/change organization chart									
	4.1 To separate for business level	A*1	S	-	-	-	-	-	-	
	4.2 To separate for office/division or level or equivalent									
	- Employee level M.3	A*1	S	-	-	-	-	-	-	- Consideration of MDC
	- Employee level M.2		A/S	-	-	-	-	-	-	- Consideration of HR's
	4.3 To separate for department level and/or equivalent		A	S	-	-	-	-	-	- Business Committee
	4.4 To separate for section level and/or equivalent			A/S	-	-	-	-	-	- Consideration of HR's
										Company Committee and
										report to HR's Business
										Committee
	4.5 To separate for sub section level and/or equivalent			A/S	-	-	-	-	-	
	4.6 To change section name and position name									
	4.6.1 Employee level M		A	S	-	-	-	-	-	- Consideration of HR's
										Business Committee
	4.6.2 Employee level S and O			A/S	-	-	-	-	-	- Consideration of HR's
										Company Committee
		Verified by					Approved by			
		Internal Audit Director					Board of Commissioner			
		Date 1 July 2015					Date 1 July 2015			

## SCG CONCRETE INDONESIA (SRMI/SPPI/PQN)

## Approval Authority Manual

Item	<input checked="" type="checkbox"/> General <input type="checkbox"/> Speciality  Issue : Personnel	Authority of								Remarks
		BOC	VP	PD	VPD	GM	Manager	Section Mgr.	SPV	
5.	To hire or fill in the position, to appoint, to remove employee status (excluding discharging or dispelling)									
	5.1 Full time employee (from Thailand)									- As Business regulation
	5.1.1 Employee level M.4 or above	A*1	S	-	-	-	-	-	-	
	5.1.2 Employee level M3	A*2	S	-	-	-	-	-	-	- Consideration of MDC
	5.1.3 Employee level M2, M1		A	S	-	-	-	-	-	- Consideration of HR's Business Committee
	5.1.4 Employee level S and O			A/S	-	-	-	-	-	- Consideration of HR's Company Committee
	5.2 Employee - Special contract (from Thailand)									
	5.2.1 Equal to management level or hiring consultant or specialist		A	S	-	-	-	-	-	
	5.2.2 Equal to employee level S and O			A/S	-	-	-	-	-	
	5.3 Employee - Internship student (from Thailand)			A/S	-	-	-	-	-	
	5.4 Local employee				A	-	-	-	-	- With personnel committee consideration
6	Personal management policy and system									- With HR Country consideration
	6.1 To change personnel management rules									
	6.1.1 Employee level M	A*1	S	-	-	-	-	-	-	- Consideration of MDC
	6.1.2 Employee level S and O	A	-	S	-	-	-	-	-	- Consideration of HR's
	6.2 To change the personnel management regulation/procedures									
	6.2.1 Employee level M	A*2	S	-	-	-	-	-	-	- Consideration of MDC
	6.2.2 Employee level S and O	A		S	-	-	-	-	-	- Consideration of HR's Business Committee
	6.3 To change the personnel management regulation/procedures that involving company's subvention amount such as to change medical expense, amount of subvention, vehicle expense allowance of company used, per diem and travelling expense and etc.		A	S	-	-	-	-	-	- Consideration of HR's Business Committee
	6.4 To change the private hospital/clinic/dental clinic dental expenses		A	S	-	-	-	-	-	- for Head of HR BU only
	6.5 To change clinic list which is equivalent to company's clinic			A/S	-	-	-	-	-	- Consideration of HR's Company Committee
										- for Head of HR BU only
		Verified by					Approved by			
		Internal Audit Director					Board of Commissioner			
		Date 1 July 2015					Date 1 July 2015			

Rev 00  
Oktober 2015

Verified by  
Internal Audit Director  
Date 1 July 2015

Approved by  
Board of Commissioner  
Date 1 July 2015

# Approval Authority Manual

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# Approval Authority Manual

*SCG Pipe and Precast Indonesia*



## SCG CONCRETE INDONESIA (SRMI/SPPI/PQN)

## Approval Authority Manual

Item	<input checked="" type="checkbox"/> General <input type="checkbox"/> Speciality Issue : Personnel	Authority of								Remarks
		BOC	VP	PD	VPD	GM	Manager	Section Mgr.	SPV	
13	Job leaving (continue)									- For employee from BKK must use SCG regulation
	13.8 Sick leave at each time									
	13.8.1 Sick leave with medical certificate									
	- over 15 working days					A	-	-	S	
	- not over 15 working days during calendar year, not over 90 working day							A/S	-	
	13.8.2 Sick leave without medical certificate									
	- not over 3 working days during calendar year, not over 45 working days							A/S	-	
14	Disciplinary action in personnel management regulations									
	14.1 Forming a committee to investigate and consider matter									
	- Employee level M.2 or above		A	-	-	-	-	-	-	- Consideration of MDC
	- Employee level M.1 or under				A	-	-	-	-	
	14.2 Steps of action to be taken									
	14.2.1 Verbal/written warning	All direct supervisor								
	14.2.2 Putting on parole or probation	Above Direct Supervisor one level								
	14.2.3 To cut down employee's behavior point					A	-	-	-	
	14.2.4 To be suspended from job	Above Direct Supervisor one level								- The lowest position that can approve is PD
	14.2.5 Discharging/Dismissing									
	- Employee level M.4 or above	A*1	S	-	-	-	-	-	-	} Consideration of MDC
	- Employee level M.3	A*2	S	-	-	-	-	-	-	
	- Employee level M.2, M.1		A	S	-	-	-	-	-	- Consideration of HR's Business Committee and report to MDC only M.2, M1
	- Employee level S		A	S	-	-	-	-	-	- Consideration of HR's Business Committee and report to MDC
	- Employee level O			A/S	-	-	-	-	-	- Consideration of HR's Company Committee
		Verified by Internal Audit Director Date 1 July 2015					Approved by Board of Commissioner Date 1 July 2015			



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Item	<div style="display: flex; align-items: center;"> <div style="border: 1px solid black; width: 30px; height: 30px; margin-right: 10px; position: relative;"> <span style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%); font-size: 20px;">X</span> </div> <div> <div style="display: flex; justify-content: space-between; width: 100%;"> <span>General</span> <span>Speciality</span> </div> <div style="margin-top: 10px;">Issue : General Affairs</div> </div> </div>	Authority of								Remarks
		BOC	VP	PD	VPD	GM	Manager	Section Mgr.	SPV	
1	Communication with the outsider									
	1.1 Communication in written									
	1.1.1 To government organization, state enterprise									
	and outsider									
	- the matter concerned is legal binding			A/S	-	-	-	-	-	
	- the matter concerned will bring the company				A/S	-	-	-	-	
	to legal binding					A/S	-	-	-	
	- routine matters									
	1.1.2 To SCG's companies					A/S	-	-	-	
	1.2 To release the information, statistical data of operation									
	(only the function who responsible for specifically data)									
	1.2.1 To SCG's companies					A	-	-	-	
	1.2.2 To government organization, state enterprise			A	-	-	-	-	-	
	and outsider									
	1.2.3 Press release			A	-	-	-	-	-	
	1.2.4 To release the information, statistical data of operation		A	-	-	-	-	-	-	
	related to third party e.g. customer.									
2	To use supply, appliance, stationery or document form which							A	-	
	is not directly related to production at a time									
3	To use of company's tools, equipment, vehicles and location									
	3.1 using long distance call								A	
	3.2 using air conditioner (out of office hour)					A	-	-	-	
	3.3 using company's equipment (outside company)					A	-	-	-	or Assigned Person by GM
	3.4 using meeting room						A	-	-	
	3.5 using meeting room, office on holiday					A	-	-	-	
	3.6 using company vehicles									
	- in company's business					A	-	-	-	
	- out of company's business				A	-	-	-	-	
	3.7 using company guest house					A	-	-	-	
	3.8 using company house and not allowing to use				A	-	-	-	-	
	company's house									
		Verified by				Approved by				
		Internal Audit Director				Board of Commissioner				
		Date 1 July 2015				Date 1 July 2015				

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		BOC	VP	PD	VPD	GM	Manager	Section Mgr.	SPV	
4	To destroy document that any function file					A	-	-	-	
5	To sell other assets which are not goods excluding land and construction (market price)									
5.1	To set up sell practice			A	-	-	-	-	-	
5.2	To sell other assets (market price)									
	- amount exceeding 80,000 Million IDR	A*1	-	-	-	-	-	-	-	
	- amount not exceeding 80,000 Million IDR	A*2	-	-	-	-	-	-	-	
	- amount not exceeding 20,000 Million IDR		A	-	-	-	-	-	-	
	- amount not exceeding 800 Million IDR			A	-	-	-	-	-	
	- amount not exceeding 25 Million IDR				A	-	-	-	-	
6	To renovate or to renew building or offices which are not capital expenditure									
	- amount exceeding 10 Million IDR			A	-	-	-	-	-	
	- amount not exceeding 10 Million IDR				A	-	-	-	-	
	- amount not exceeding 8 Million IDR					A	-	-	-	
7.	To enter into contract or to sign in contract/agreement with the outsiders (excluding procurement)									
7.1	Period less than 1 year									
	- amount exceeding 40,000 Million IDR	A*2	-	-	-	-	-	-	-	
	- amount not exceeding 40,000 Million IDR		A	-	-	-	-	-	-	
	- amount not exceeding 5,000 Million IDR			A	-	-	-	-	-	
	- amount not exceeding 250 Million IDR				A	-	-	-	-	
	- amount not exceeding 30 Million IDR					A	-	-	-	
7.2	Period over 1 year									
	- amount exceeding 4,000 Million IDR	A*2	-	-	-	-	-	-	-	
	- amount not exceeding 4,000 Million IDR		A	-	-	-	-	-	-	
8	To appraise claim value of loss/damage assets at each time									
	- amount exceeding 20 Million IDR				A	-	-	-	-	
	- amount not exceeding 20 Million IDR					A	-	-	-	
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		Date 1 July 2015				Date 1 July 2015				

Item	<div style="display: flex; align-items: center;"> <input checked="" type="checkbox"/> General                 <div style="margin-left: 20px;"><input type="checkbox"/> Speciality</div> </div> Issue :   General Affairs	Authority of								Remarks
		BOC	VP	PD	VPD	GM	Manager	Section Mgr.	SPV	
9	To rent a house for employee									
	9.1 To rent a house for employee that move from head office according to company's regulation or move to provincial area				A	-	-	-	-	
	9.2 Sign on rent contract for employee who work regulary at provincial area					S	-	-	-	
	9.3 To pay for deposit/rent expense in advance/contract									
	- amount exceeding 8 Million IDR				A	-	-	-	-	
	- amount not exceeding 8 Million IDR					A	-	-	-	
	- amount not exceeding 1.6 Million IDR						A	-	-	
10	To purchase, to sell, to exchange, to give, to mortgage, to accept mortgage, to redeem mortgage, to sell with the right of redemption, to buy the property with the owner's right of redemption, to redeem the property, to hire, to let, to transfer the right in the property hired, to register the servitude, to cancel the servitude, to register the usufruct, to end the usufruct, to register the right of habitation, to terminate the right of habitation, to register the right of superficies, to terminate the right of superficies, to transfer performance of an obligation, to receive the performance of an obligation, to transfer the right of land and other structures for public use								- Comply with laws and regulations	
	- amount exceeding 80,000 Million IDR	A*1	-	-	-	-	-	-	-	
	- amount not exceeding 80,000 Million IDR	A*2	-	-	-	-	-	-	-	
	- amount not exceeding 20,000 Million IDR		A	-	-	-	-	-	-	
	- amount not exceeding 400 Million IDR			A	-	-	-	-	-	
									_ only land rent for operating plant	
									_ Report to the SCG Management Committee by quaterly	

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 Internal Audit Director  
  
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		BOC	VP	PD	VPD	GM	Manager	Section Mgr.	SPV	
1.	Cash sale									- Each company sale products
	1.1 Determining a list of agent who selling specific product									under its responsibilities'
	and manufacturer/end user to have a privileged of									only
	receiving selling document before payment,									
	by payment within									
	- Another day/time			A	-	-	-	-	-	
	- Next working day				A	-	-	-	-	
	1.2 To cancel the privileged according to article 1.1									
	1.3 To approve the issuing of selling document (occasionally)									
	before payment at each time									
	1.3.1 over 3 working days or									
	- amount exceeding 800 Million IDR			A	-	-	-	-	-	
	1.3.2 not over 3 working days and									
	- amount not exceeding 800 Million IDR			A	-	-	-	-	-	
	- amount not exceeding 400 Million IDR				A	-	-	-	-	
	- amount not exceeding 250 Million IDR					A	-	-	-	
	- amount not exceeding 100 Million IDR						A	-	-	
	1.4 To receive cheque from customer that is not registered,									
	on case by case basis. Employee who responsible for									
	sales must certify for payment by cheque and sign on									
	customer purchase orders/customer order - in case of									
	no written document in order to follow when a problem									
	arises at each time									
	- amount exceeding 80 Million IDR			A	-	-	-	-	-	
	- amount not exceeding 80 Million IDR				A	-	-	-	-	
	- amount not exceeding 30 Million IDR					A	-	-	-	
	- amount not exceeding 20 Million IDR						A	-	-	
	1.5 To deprive of customer's right in case of having return						A	-	-	
	cheque and to allow this customer to pay by cheque									
		Verified by				Approved by				
		Internal Audit Director				Board of Commissioner				
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		BOC	VP	PD	VPD	GM	Manager	Section Mgr.	SPV	
3	Selling without collateral (Clean Credit)									
	3.1 Registered customer except customer that is in SCG's company and JV									
	3.1.1 To approve purchase order of customer in case of no credit line or expired credit limit of each customer			A	-	-	-	-	-	_ Approval of purchase order must be done occasionally and not over 3 months; and ask for ratification from Credit Committee
	3.1.2 To approve credit line without collateral (Clean Credit) of each customer									_ With the recommendation of Credit Committee
	- amount exceeding 2,800 Million IDR		A	-	-	-	-	-	-	- Approval of credit line which collateral is not covered all credit amount, the customer must have guarantee's person cover all credit amount.
	- amount not exceeding 2,800 Million IDR			A	-	-	-	-	-	For credit line without guarantee's person, must be approved by VP level up.
	- amount not exceeding 800 Million IDR				A	-	-	-	-	
	(Period of credit line is not over 1 year and credit amount which does not be approved by Credit Committee, after get approval, the copy must submit to Credit Department for ratification from Credit Committee)									
	3.1.3 To set up/change standard credit term									
	- Main product		A	-	-	-	-	-	-	_ Consideration of Credit Committee
	- Other products			A	-	-	-	-	-	Including payment period extension prior due date
	3.1.4 To approve credit term without collateral (Clean Credit) more than company's standard credit term and charge for delay payment as company's procedure			A	-	-	-	-	-	_ Approval of reduction of delay payment rate at VPD level or under must not less than Bank's Prime Rate
	3.1.5 To approve credit term more than company's standard credit term and reduce rate of delay payment less than specified rate									
	- reduction exceed 6 percent/year			A	-	-	-	-	-	
	- reduction not exceed 6 percent/year				A	-	-	-	-	
	- reduction not exceed 3 percent/year					A	-	-	-	
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Item	<div> <input type="checkbox"/> General <input checked="" type="checkbox"/> Speciality </div> <div>Issue : Logistics &amp; truck management</div>	Authority of								Remarks
		BOC	VP	PD	VPD	GM	Manager	Section Mgr.	SPV	
1	Budgeting and truck's policy (purchase new/used truck and insurance for truck)			A	-	-	-	-	-	
2	To conduct the Annual Plan for truck maintenance				A	-	-	-	-	
3	To appoint truck service & maintenance supplier				A	-	-	-	-	- With consideration of Procurement Committee
4	To pay for truck and vehicle's permits, licenses, taxes and other operational permit or licenses	Representative appointed by company								
5	To approve for truck repair and maintenance									
	By internal truck maintenance department									
	- amount exceeding 200 Million IDR			A	-	-	-	-	-	
	- amount not exceeding 200 Million IDR				A	-	-	-	-	
	- amount not exceeding 40 Million IDR					A	-	-	-	
	- amount not exceeding 4 Million IDR						A	-	-	
	By appointed external truck maintenance									
	- amount exceeding 40 Million IDR			A	-	-	-	-	-	
	- amount not exceeding 40 Million IDR				A	-	-	-	-	
	- amount not exceeding 20 Million IDR					A	-	-	-	
	- amount not exceeding 2 Million IDR						A	-	-	
6	To set up standard spare parts for truck				A	-	-	-	-	- With consideration of Procurement Committee and record in writing
7	To approve the spare parts request							A	-	

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Internal Audit Director

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