

Press Release

Chandra Asri Group invests in biofuel feedstock sourcing and partners with Biofront's Indonesia used cooking oil collection arm – TUKR



Jakarta, 28th October 2024 – PT Chandra Asri Pacific Tbk (Chandra Asri Group), a prominent provider of energy, chemicals, and infrastructure in Southeast Asia, is excited to announce its long-term commitment to Indonesia's renewable sector by partnering with Biofront to invest in local biofuel feedstock sourcing and collection. This strategic move will be executed by leveraging Biofront's Indonesian used cooking oil ("UCO") collection arm, TUKR.

TUKR (tukr.co.id) is one of Indonesia's most notable UCO collection companies, with operations across all major cities in the country. TUKR works with restaurants, hotels, malls and more, to sustainably and responsibly manage the cooking oil waste they generate from food production. This oil is then delivered to bio-refineries to produce green fuels including Sustainable Aviation Fuel (SAF). TUKR's mission is to eliminate improper cooking waste oil disposal, reduce global greenhouse emissions and support the widespread adoption of renewable fuels over fossil fuels. TUKR handles the entire process, from the collection of the oil to the storage, processing and final delivery of the cooking waste oil itself.

This partnership with Biofront, one of the world's largest collectors of waste-based feedstocks, marks Chandra Asri Group's commitment to expand its green business portfolio and the Company's Creating Shared Value (CSV) sustainability program. It highlights the Company's active involvement in circular economy initiatives while securing essential raw materials for its potential bio-refinery, which will support biofuel production.

This investment is crucial to Chandra Asri Group's strategic growth into the green fuels sector, specifically through the production of biofuels and Bio-Naphtha. The commitment aligns with the Government of Indonesia's effort to promote renewable energy initiatives and enhance energy sovereignty. The partnership represents a pivotal step in advancing Indonesia's goal of achieving Net Zero Emissions (NZE) by 2060, further underscoring the Company's commitment to supporting the nation's energy transition.

By investing in sustainable fuel assets and technologies, Chandra Asri Group aims to be a leader in sustainable practices within the industry and across the broader Southeast Asian region. This strategic move will strengthen the Company's position as a leader in renewable energy and demonstrates its dedication to addressing the global climate change challenge.

Chandra Asri Group has also successfully obtained the International Sustainability and Carbon Certification (ISCC), a globally recognized certification for environmentally responsible production. This certification confirms that Chandra Asri Group's facilities meet the requirement for processing bio-feedstock into bio-based products, such as Bio-Propylene, Bio-Ethylene, Bio-Crude C4, and Bio-Pygas. This achievement reflects the Company's dedication to sustainable raw material sources, reducing carbon emissions, and supporting a closed-loop system that minimizes environmental impact.

Chandra Asri Group's investment in feedstock collection through this partnership strategically positions the Company to capitalize on this rapidly developing market. It ensures a steady supply of feedstock for future biofuel production, bolstering the Chandra Asri Group's sustainability goals and solidifying its place in the renewable energy sector.

Director HR & Corporate Affairs, Chandra Asri Group, Suryandi has stated, "Partnering with Biofront marks a significant milestone in our commitment to sustainable growth. This collaboration aligns perfectly with Chandra Asri Group's strategy to diversify through green business initiatives, reinforcing our dedication to sustainability and environmental stewardship. We consider bio-based feedstocks, such as Bio-Naphtha, essential for facilitating the industry's transition to greener practices. The renewable naphtha produced from UCO offers a practical solution for industries seeking to minimize their carbon footprint. Furthermore, this initiative plays a vital role in promoting the circular economy by optimizing resource efficiency. We are also enthusiastic about exploring future collaborations in other sectors of the circular economy, such as end of life tires and plastic waste recycling."

Chief Executive Officer, Biofront Commodities, Fahad Farooq, states "This partnership affirms the integral relationship between feedstock collectors and bio-refineries within the green fuels space, where access to and security of feedstock is absolute. Chandra Asri Group's regional presence and expertise in chemicals and logistics gives Biofront a strong edge on collection, storage and movement of raw material, while also enabling us to directly supply Chandra Asri Group with essential feedstock for bio-based production. We are also committed to developing alternative waste streams and materials with Chandra Asri Group in Indonesia, including end of life tires and plastic waste collection along with pyrolysis oil

production, all to further reduce carbon emissions through the valorization of abundant yet under-utilized local waste materials”.

UCO, recognized as a second-generation feedstock for bio-refineries, is crucial for producing Renewable Diesel (“RD”) and Sustainable Aviation Fuel (“SAF”). With global demand for RD and SAF on the rise due to increasing regulatory mandates, the need for reliable feedstock sources is becoming ever more critical.

Recycling end of life tires and plastic waste begins with collecting these materials, followed by pyrolysis, a process that heats these materials in an oxygen-free reactor, converting them into valuable products such as pyrolysis oil, carbon black, and synthetic gas. Pyrolysis oil can be refined into high-demand products such as biofuels, recyclable naphtha and bio chemicals for plastics and industrial applications. Pyrolysis oil can also be co-processed in oil refineries/naphtha crackers to displace conventional fossil feedstocks and meet the market demand for sustainable energy and raw materials. With increasing support from industries and governments for eco-friendly solutions, the demand for pyrolysis oil is expected to rise, making it an important method for reducing landfill waste and promoting a circular economy. Additionally, Chandra Asri Group is currently developing pyrolysis oil at its end-to-end waste management facility of IPST Asari in Cilegon.

About Chandra Asri Group

Chandra Asri Group is a prominent provider of energy, chemical, and infrastructure solutions in Southeast Asia, supplying products and services to various manufacturing industries in both domestic and international markets. With a history of 32 years and over 2,200 dedicated staff, it incorporates state-of-the-art technologies and supporting facilities located strategically in the country’s petrochemical and industrial hubs, Cilegon, and Serang. Chandra Asri Group operates the only Naphtha Cracker in Indonesia that produces Olefins (Ethylene, Propylene), Polyolefins (Polyethylene, Polypropylene), PyGas and Mixed C4, and is the sole domestic producer of Styrene Monomer, Ethylene, Butadiene, MTBE and Butene-1, with a new world-scale Chlor Alkali Ethylene Dichloride plant development on the horizon. Chandra Asri Group’s chemicals business is supported by core infrastructure assets encompassing strategic energy, electricity, water, jetty, and tank farm facilities. For more information, you may visit to our website: www.chandraasri.com.

About Biofront

Biofront Commodities (“Biofront”) is one of the largest collectors of waste-based feedstocks including UCO globally, with operations across 8 countries. All material is collected solely to produce renewable fuels such as sustainable aviation fuel and biodiesel. <http://www.bio-front.com>

About TUKR

TUKR is the Indonesian collection arm of Biofront and is one of most prominent collectors in Indonesia with 18 collection points nationally and a workforce of over 100 people to collect



UCO from Indonesia's largest restaurant chains, malls, hotels and beyond.
<http://www.tukr.co.id>

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