

# **CODE OF CONDUCT**

BGA-COC-HC-333.1-R1



**BUMITAMA GUNAJAYA AGRO GROUP**

## FOREWORD

Praise and Thanks God Almighty for His Blessing, *Code of Conduct* of PT Bumitama Gunajaya Agro (along with all subsidiaries and affiliates hereinafter referred to as “BGA Group” or “Company”) hereinafter referred to as “CoC” or “BGA CoC Group” has been disseminated, distributed and implemented in BGA Group since October 28, 2014 as a guide and binding guidelines for all employees and officials at all levels and positions in BGA Group.

Considering the development of its business activities, BGA Group deems necessary to renew this CoC, specifically to reaffirm the provisions of BGA Group’s policies regarding corrupt practices, illegal gratification and/or bribes. BGA Group has a commitment to support the efforts of the Government of the Republic of Indonesia in preventing and eradicating criminal acts, especially corruption, illegal gratification and/or bribes. For this reason, the renewal of CoC is aimed at reaffirming the business ethics and anti-corruption policies of BGA Group as a guideline for all employees and officials at all levels and positions in BGA Group so that they act professionally and objectively in carrying out their duties and responsibilities in accordance with their respective titles or positions

Thus, the affirmation of CoC of BGA Group is delivered to be carried out properly by all employees and officials at all levels and positions in BGA Group with full responsibilities and high discipline to realize the Company’s Vision, Mission and Goals.

Jakarta, 13 November 2018

**Directors**



# CODE OF CONDUCT

BGA-COC-HC-333.1-R1

## TABLE OF CONTENTS

<b>FOREWORD</b> .....	<u>iii</u>
<b>TABLE OF CONTENTS</b> .....	<u>iv</u>
<b>CHAPTER I</b> .....	<u>1</u>
<b>INTRODUCTION</b> .....	<u>1</u>
1.1 Background .....	<u>1</u>
1.2 Purpose and Objectives of Codes of Conducts .....	<u>2</u>
1.3 Benefits of Codes of Conducts .....	<u>3</u>
1.4 Foundation of Code of Conduct .....	<u>4</u>
1.5 Obligation to Implement Codes of Conducts .....	<u>4</u>
1.6 Company’s Vision and Missions .....	<u>5</u>
1.7 Cultural Pillars Culture and Company Values .....	<u>6</u>
1.8 Values .....	<u>6</u>
1.9 Terms .....	<u>8</u>
<b>CHAPTER II</b> .....	<u>10</u>
2.1 Transparency .....	<u>10</u>
2.2 Accountability .....	<u>10</u>
2.3 Responsibility .....	<u>10</u>
2.4 Independence .....	<u>10</u>
2.5 Fairness and Equality .....	<u>10</u>
<b>CHAPTER III</b> .....	<u>11</u>
<b>CORPORATE ETHICS STANDARDS OF STAKEHOLDERS</b> .....	<u>11</u>
3.1 Ethical Relations with Shareholders .....	<u>11</u>
3.2 Ethical Relationship with All Employees of BGA Group .....	<u>11</u>
3.3 Ethical Relationship with Neighboring Societies and Environment .....	<u>12</u>
3.4 Ethical Relationship with the Government .....	<u>12</u>
3.5 Ethical Relationship with Business Partners .....	<u>13</u>
3.6 Ethical Relationship with Supplier/Contractor/Vendor .....	<u>13</u>
3.7 Ethical Relationship with Mass Media .....	<u>14</u>
3.8 Ethics of the Management and Employees .....	<u>14</u>
<b>CHAPTER IV</b> .....	<u>18</u>
<b>CODES OF CONDUCTS FOR EMPLOYEE OF BGA GROUP</b> .....	<u>18</u>
4.1 Keeping the Company’s Reputation .....	<u>18</u>
4.2 Caring for Occupational Health and Safety .....	<u>18</u>
4.3 Maintaining Occupational Safety and Health in the Work Environment .....	<u>19</u>
4.4 Maintaining Good Relationship among Employees of BGA Group .....	<u>19</u>
4.5 Keeping the Company’s Confidentiality .....	<u>20</u>
4.6 Maintaining and using the Company’s Assets .....	<u>20</u>
4.7 Immoral Behaviors, Narcotics, Illegal Drugs, Gambling and Smoking .....	<u>21</u>
4.8 Sexual Harassment .....	<u>21</u>



# CODE OF CONDUCT

BGA-COC-HC-333.1-R1

---

4.9 Recording and Preparation of Company's Reports . . . . .	<u>22</u>
4.10 Correspondence and Use of Internet . . . . .	<u>23</u>
4.11 Avoiding Personal Conflict of Interest (Transactions by People inside the Company) . . . . .	<u>23</u>
4.12 Giving and Receiving Gifts, Bribery and Others . . . . .	<u>23</u>
4.13 Conflict of Interest . . . . .	<u>24</u>
4.14 Political Activity . . . . .	<u>26</u>
4.15 Basic Principles of Policies on Business Ethics and Anti-Corruption . . . . .	<u>26</u>
CHAPTER V . . . . .	<u>28</u>
ENFORCEMENT AND REPORTING . . . . .	<u>28</u>
5.1 Commitment to Enforce Codes of Conduct . . . . .	<u>28</u>
5.2 Violation . . . . .	<u>28</u>
5.3 Violence Reporting Mechanism . . . . .	<u>29</u>
5.4 Sanctions for Violations . . . . .	<u>29</u>
5.5 Interpretation . . . . .	<u>30</u>
5.6 Consequences . . . . .	<u>30</u>
5.7 Exception . . . . .	<u>30</u>

## CHAPTER I

### INTRODUCTION

#### 1.1 Background

1.1.1 In managing the Company of BGA Group, the Management has basically applied the principles of good corporate governance abbreviated as GCG. The GCG Principles such as: Transparency, Accountability, Responsibility, independency, Properness and Fairness is an obligation of every employee in performing their duties and daily responsibilities. The Company's attributes like Vision, Mission, Cultural Pillars, Values Companies, PP, IOM, SOP have been prepared and implemented in accordance with the GCG standards so that this CoC complements the existing attributes. Given that this CoC is complementary to the existing attribute, the CoC does not change or replace the terms and conditions of employment. Instead, it helps us realize what is expected of each employee and ensure that we always act responsibly with high integrity in carrying out their duties and responsibilities.

1.1.2 This CoC stipulates principle rules and standards that guide us to ensure that we consistently and consciously do the right things and that the business we are running brings obligations to us to submit to prevailing Laws and regulations, to comply with the Company's policies and principles, to manage the assets and the environment, and to act wisely and ethically at all times.

1.1.3 All employees must comply with this CoC to ensure that any activity we do will strengthen and support the values of the Company. Failures to comply with CoC can lead to disciplinary sanctions up to layoff in accordance with applicable regulations.

1.1.4 As a dynamic guideline, CoC will be reviewed regularly and continuously in accordance with the Company's development. However, in any change to CoC, the Company will focus on the management of value - the existing values and long-term strategic advantage.

## 1.2 Purpose and Objectives of Codes of Conducts

- 1.2.1 All employees of BGA Group shall understand that all of the activities of Company shall be based on the principles of good corporate governance.
- 1.2.2 To encourage all employees of BGA Group to behave properly in carrying out all of the Company's activities.
- 1.2.3 To implement risk management whose goals are, among others, to minimize any chance of frauds which are believed to be able to build and strengthen the Company's reputation in both the national and global scale.
- 1.2.4 To summarize information that has been set forth and defined by the Management in relation to codes of conduct as stipulated in PP, IOM, SOP and other quality policies.
- 1.2.5 To facilitate all employees of BGA Group to have ethical and behavioral guidelines in carrying out daily work routines.
- 1.2.6 To avoid any conflict of interest among all employees in carrying out activities in the Company.
- 1.2.7 To developing harmonious relationships, synergies and mutual benefits among all employees of BGA Group and all other *stakeholders* of the Company based on the principles of healthy and ethical corporate in trying to achieve the values and strategies to be a highly competitive oil plantation Company.

## 1.3 Benefits of Codes of Conducts

The company shall implement the *Codes of Conducts* consistently to provide long-term benefits to:

### 1.3.1 Company

- a. Encouraging the Company's operation to be more efficient and effective in its relations with shareholders, employees and the surrounding communities, the governments and all of other *stakeholders* to have standards of ethics that must be observed.
- b. Increasing the values of the Company by providing certainty and protection for the whole *stakeholders* in dealing with the Company so as to produce a good reputation for achieving long-term business success.

### 1.3.2 Shareholders

Increasing shareholders' confidence that the company is professionally managed, sustainable, efficient, transparent, accountable, responsible, independent, and *fair* to reach profitability level by taking the interests of the Company into account.

### 1.3.3 Employees

- a. Providing guidance for every employee of BGA Group to have positive and ethical behaviors and to avoid behaviors prohibited by the Company.
- b. Create a work environment that upholds the values of honesty, ethics and openness which will then improve performance and productivity of every employees of BGA Group as a whole.

### 1.3.4 Community, Environment and Related Parties

Creating a harmonious and mutually benefitting relationship between the Company and all other *stakeholders* which is believed to create economic-social welfare for the community, the environment and other related parties in sustainable manners.

## 1.4 Foundation of Code of Conduct

- 1.4.1 Prioritizing compliance with applicable laws and laws and heed the norms that exist in the surrounding communities of the Company's operations.
- 1.4.2 Turning PP, IOM, SOP, Corporate Cultures and other documents that have been issued according to the principles of good corporate governance Management into the main reference in drafting the CoC.
- 1.4.3 Avoiding actions, behavior or actions that can lead to conflicts of interest, corruption, collusion and nepotism and always prioritizing the interests of the Company than personal, family, group or group interests.
- 1.4.4 Applying the principles of transparency, independence, accountability, responsibility and fairness in the management of the Company.

## 1.5 Obligation to Implement Codes of Conducts

*Codes of Conduct* shall be applicable to all employees of BGA Group, starting from BOC, Directors, and Employees to the company's other stakeholders.

### 1.5.1 Directors and Board of Commissioners

The Boards of Directors and Commissioners are committed to implementing CoC consistently by being good role models for employees under his positions. Board of Directors is responsible for setting the policies associated with CoC and for ensuring their implementation by each employee of BGA Group to enforce the implementation of *reward* and *punishment*.

## 1.5.2 Employee

### a. Superiors

To be good role models in the implementation of CoC in their respective working environment. *Group Department Head* and the *Regional Head*, or higher, has the responsibility to lead and to direct subordinates, and to oversee the implementation of CoC already stipulated.

### b. Subordinate

To learn, to understand and to apply the CoC in their work fields and to report any violation or signs of violation either directly or indirectly in their respective working unit to their immediate superior or through a complaint channel already specified by the Company.

### c. Corporate Stakeholders

Stakeholders of the Company shall respect and comply with CoC already applied by the Company and use it as guidance in implementing the employment relationship with the employees of BGA Group.

## 1.6 Company's Vision and Missions

### 1.6.1 Company's Vision

The company's vision is "To be the leading palm oil producer through continuous improvement, focused on Productivity, Cost Efficiency, Sustainable Practices and Company's Growth".

### 1.6.2 Company's Missions

- a. To increase shareholders' values.
- b. To enhance employee's quality of life.
- c. Increase the welfare of the surrounding community & environment.

## 1.7 Cultural Pillars Culture and Company Values

### 1.7.1 Cultural Pillars

*Cultural Pillars* is a behavioral corridor as application of values that are believed in daily actions of all employees of BGA Group. Cultural Pillars are also analogous to the signs to ensure the safety and harmony in achieving the Company's vision and missions.

### 1.7.2 BGA's Cultural Pillars

#### a. Upholding Morality

Morality is interpreted as a decision of all employees of BGA Group to obey their consciences, to choose to behave in accordance with legal, social, and religious norms. Moral pillars require every employee not to enjoy or to take something to which he/she is not entitled.

#### b. Achieving and Maintaining Capability

Capability is defined as the ability of all Employees of BGA Group to take actions in order to provide the best performance, to bear responsibilities, to complete tasks and to contribute to the achievement of organizational goals. Capability is embodied in Actions. Capability is a combination of characters and competencies.

#### c. Holding Firm Integrity

Integrity is understood as harmony between heart, mind and actions of the Employees of BGA Group as manifestations of the heart and mind performed consistently under any circumstances. Integrity requires honesty with oneself and compliance with principles or values.

## 1.8 Values

1.8.1 Values are things which are jointly upheld and believed and called as the code of conduct of the organization and strategy. Values provide understanding of the shared direction for all employees as well as guidance for daily behaviors. An organization gains strength from shared values.

1.8.2 BGA Group has 9 values that must personally exist and reflect in behaviors of all employees of BGA Group, namely:

**a. Humility**

It is a personality in which a person is humble, modest, polite, and warm and never considers himself/herself better than to others.

**b. Discipline**

A moral attitude which is formed through a process of a series of behaviors that show values to obedience, conformity and orderliness based on moral values. The meaning of discipline is a form of reflection of compliance to respect and to implement things accordingly.

**c. Having Analytic–Synthetic Thinking**

Understanding the situation systematically and describing the problem into more detailed parts (factors causing problems) and looking for implications of a problem and then arrange it to be structured.

**d. Consideration of Priority Scales**

- i. It is a sequence of needs listed according to the level of importance. Priority scale, will allow us to know the rank order of jobs based on the level of importance and importance. The priority scale also concern so much on risks of the decision.
- ii. In determining the priority scale, whether there are two main urgencies. Based on the two criteria, there are four priority scales.

**e. Cooperation in a Team (Synergy)**

Having *passion* is part of a team and willingness to share superiority for the success of the team, instead of being individualists. Synergy is based on positive, empowering instincts and uses resources for groups.

**f. Openly Communicating (Assertiveness)**

Open, honest, and willing to express thoughts, feelings and beliefs, and not violating rights of others in any manner or not harming the interests of others. Open coordination between individuals and between departments to achieve maximum work results.

**g. Strong Willing and Abstinence (Persistent)**

Strong willingness and determination to achieve something successfully. Demonstrating persistence and patience with obstacles, militancy towards duty

and never giving up on whatever trying to do. Keep trying and trying even despite any obstacle and challenge they face.

**h. Loyal to profession and superior (Loyalty)**

Obedient and loyal to the profession/work & superiors. Always doing the best (dedication) by keeping the commitment to honor and goal, despite changing atmosphere.

**i. Customer Oriented (Customer Focus)**

Oriented on serving customers, performing duties and responsibilities so as to ease the burden of others (the next process), knowing and meeting customers' needs, both internal and external customers.

## 1.9 Terms

- 1.9.1 The Company is the Holding Company and subsidiaries is incorporated in Bumitama Gunajaya Agro Group, or abbreviated as BGA Group, and domiciled in Jakarta, and was established by virtue of Incorporation Deed No. 88 dated September 17, 1966, made before Soekami, SH and Decree of the Minister of Justice No. C2-4603 HT.01.01 TH. 1997, dated June 4, 2007.
- 1.9.2 Employees of BGA Group are those who are formally bound in an employment relationship with the Company incorporated in BGA Group, have employment agreements with the Company and receive a salary or remuneration as stipulated in the legislation and the Company's Regulations.
- 1.9.3 Company Management comprises of the Company's Board of Commissioners and Board of Directors or employees who, due to their positions, are authorized by the Company's Board of Directors to manage, to lead and/or to represent the company or part of the Company.
- 1.9.4 Immediate superior is an employee who, due to his/her position, has a responsibility to assign, to guide, and to supervise other employees of the work unit under his/her authority.
- 1.9.5 Indirect superior is an employee who, due to his/her higher class and positions as well as his/her jobs and responsibilities, has the authority to assign, to develop and to supervise other employees directly or indirectly.
- 1.9.6 Stakeholders are any party that has direct or indirect interests in the Company and direct or indirect influence on the survival of the Company and include Shareholders, Employees, Government, Cooperative Partners, Contractors, Suppliers, Creditors, Communities and Non-Governmental Organizations (NGOs) and other interested parties.

- 1.9.7 Business Partners are individuals, groups or associations and Company having business cooperation based on the potential and feasibility of mutual benefit to themselves and the Company.
- 1.9.8 Good Corporate Governance is a process and structure used to increase the success of the business and accountability of the Company in order to create shareholders' long-term values while taking the interests of other stakeholders into account, based on ethical values and prevailing laws and regulations.
- 1.9.9 Code of Conduct is a system of values or norms shared by every employee in BGA Group in carrying out duties and responsibilities and business ethics of all employees of BGA Group in achieving the Company's objectives, visions and missions, including, among others, the ethical relationship between the Company and the Shareholders, Employees, Governments, Cooperative Partners, Contractors, Suppliers, Creditors, Societies, Non-Governmental Organizations (NGOs) and other interested parties.
- 1.9.10 Conflict of interest is a situation or condition that can cause and/or emerge abusive utilization of positions and authorities in the Company for personal, family or group interests, resulting in failure perform mandated given in objective manners.
- 1.9.11 Cultural Pillars are corridor behaviors as application of the values believed in everyday actions, which can be analogous to the signs believed providing guarantees for safety and harmony in achieving the vision.
- 1.9.12 Values are norms jointly upheld and believed and referred to as organizational ethics and strategy, providing an understanding of the common direction for all employees and guidelines for daily behaviors.
- 1.9.13 Company Environment is all places both the Head Office and locations of operational units, legally under the Company's control and used to support the Company's activities.
- 1.9.14 Company's Secrets are all written and unwritten data and information about the Company, including but not limited to, activity plans, *layouts*, internal decisions, business methods, finance, projects, marketing matters, prices, internal statistics, internal surveys, research reports, customers and suppliers-related data, technical information, technical specifications and other information which, by their nature, shall be kept confidential.

## CHAPTER II

### BASIC PRINCIPLES OF GOOD CORPORATE GOVERNANCE (GCG)

#### 2.1 Transparency

To keep objectivity in running businesses, the Company provides information that is material by nature and relevant in a way that is easily accessible to and understandable by stakeholders. The company takes the initiative to reveal and analyze issues which are required by applicable laws and regulation for decision-making by shareholders, Creditors and other stakeholders.

#### 2.2 Accountability

The Company must be able to account for their performance transparently and fairly. Therefore, the Company must be properly managed, scalable and compatible with the interests of the Company, its shareholders and other stakeholders. Accountability is a prerequisite to achieve sustainable performance.

#### 2.3 Responsibility

The Company must comply with applicable laws and regulations and perform their duties and responsibilities towards societies and the environment so that business continuity can be sustainable and well-maintained as manifestation of *Good Corporate Citizen*.

#### 2.4 Independence

To facilitate the implementation of the principles of GCG principle, the Company must be managed independently so that no domination among organs of the company and no intervention from other parties.

#### 2.5 Fairness and Equality

In running its business activities the Company must take the interests of shareholders and other stakeholders into account based on principles of fairness and equality.

## CHAPTER III

### CORPORATE ETHICS STANDARDS OF STAKEHOLDERS

In carrying out its business, the Company always upholds professionalism, honesty, fairness and consistency in providing services to stakeholders.

The Company shall foster good relationships with stakeholders based on ethical standards as follows:

#### 3.1 Ethical Relations with Shareholders

Shareholders are the main elements of the Company in establishing good relationships with shareholders. Therefore, the company must:

- 3.1.1 always try to provide sustainable added value for shareholders through financial and non-financial aspects;
- 3.1.2 not do any act to seek benefits for personal interest and other parties by using the Company's information that is not in the public interest or which can create conflict of interests;
- 3.1.3 keep records of business transactions accurately in accordance with the principles of accounting and provides complete, accurate and timely reports;
- 3.1.4 always apply the good corporate governance consistently.

#### 3.2 Ethical Relationship with All Employees of BGA Group

In order to create quality, fair relationships, which could lead to sufficient intensity of the relationship between the Company and all Employees of BGA Group, the Company will treat all employees of BGA Group as the Company's assets that must be maintained, developed and treated fairly in the following manners:

- 3.2.1 the Company will keep its commitment as reflected from the second commitment, namely "Increasing the benefits for and quality of life of our employees".
- 3.2.2 the Company will always disseminate all regulations, especially its new regulations and directives to all employees of BGA Group;
- 3.2.3 the Company will provide equal employment opportunities for all employees of BGA Group without discrimination based on ethnicity, race, gender and religion;
- 3.2.4 the Company will uphold the rule of law consistently without discrimination based on race, ethnicity, gender, religion and position;
- 3.2.5 the Company will always strive to create an environment-friendly workplace to maintain the employees' health and safety;

3.2.6 the Company will value, award and pay remunerations based on employees' performance and competence equitably as a company, a team and an individual;

3.2.7 the Company will appreciate creativity, innovation and initiative of employees that create value added to the Company.

### **3.3 Ethical Relationship with Neighboring Societies and Environment**

The Companies will at all times implement social responsibility as a form of *Good Corporate Citizenship*, based on the understanding that the Company is part of the society desiring to grow and to develop in a healthy environment with a harmonious atmosphere.

**Therefore, the Company has commitments:**

3.3.1 to develop and to foster harmonious relations to enhance prosperity of local communities and environments where the Company operates.

3.3.2 to maintain the environment by minimizing environmental impacts and maintaining ecosystem balances, and implementing community empowerment in the context of sustainable development in accordance with the principles set forth in ISPO, RSPO and other standards.

3.3.3 to uphold values of the communities where Per the Company operates and to avoid all words and actions which may lead to discrimination based on ethnicity, religion, race and class.

### **3.4 Ethical Relationship with the Government**

The Company has a commitment to preserve and maintain a good relationship and communication with the both Central Government and local governments in relation to the Company's operations.

The company has commitments:

3.4.1 to comply with applicable laws and regulations.

3.4.2 to foster healthy, harmonious and constructive relationships with Regulators, Legislators and other relevant agencies both at the Central and Regional levels.

3.4.3 to comply with the applicable laws and regulations related to the Company's business activities including payment of taxes and levies as well as those related to employment and the environment.

3.4.4 to support national and regional programs, especially in the fields of technology, education, social, economy and cultures.

3.4.5 to maintain good communication and harmonious and ethical relationships based on the values of honesty and mutual respect and in accordance with the legislation in force.

### **3.5 Ethical Relationship with Business Partners**

Relationship with prospective business partners and/or work partners will be carried out professionally and mutually beneficial by complying with the following principles:

3.5.1 Upholding the principle of benefit by choosing business partners that provide the best synergy in the Company and free of corruption, collusion and nepotism (KKN);

3.5.2 Avoiding cooperation with business partners failing to run businesses with good business ethics;

3.5.3 Maintaining good, transparent and mutually beneficial relationship with business partners;

3.5.4 Maintaining cooperation in accordance with the ethical values within the limits of tolerance in accordance with the prevailing laws and regulations;

3.5.5 Fulfilling the rights and obligations under the work agreements;

3.5.6 Business partners shall comply with all applicable rules and regulations in the Company.

### **3.6 Ethical Relationship with Supplier/Contractor/Vendor**

In fostering relationships with suppliers/contractors/ vendors, the Company will always uphold honesty, business ethics and *fairness* such as:

3.6.1 Providing equal opportunities to suppliers/ contractors/vendors to take part in bids at the Company as stipulated in the Company's policies and prevailing laws and regulations;

3.6.2 Avoiding corruption, collusion and nepotism (CCN) in the procurement process with suppliers/ contractors/vendors in the company;

3.6.3 Avoiding transactions with the suppliers/ contractors/vendors in conducting businesses that violate the Company's policy and applicable laws;

3.6.4 imposing sanctions in accordance with applicable regulations to Suppliers/contractors /vendors proven violating the company's policies and applicable laws and regulations;

- 3.6.5 Conducting procurement process transparently, competitively and fairly to get suppliers/ contractors/vendors meeting the job qualifications and prices that can be accounted for;
- 3.6.6 Performing its rights and obligations to the suppliers/ contractors/ vendors under mutual agreements;
- 3.6.7 Performing good communication with suppliers /contractors/vendors, including following up their complaints and grievances;

### 3.7 Ethical Relationship with Mass Media

The Company's relationship with the mass media shall be based on the principles of equality, transparency and mutual respect:

- 3.7.1 Treating mass media as business partners to deliver information about the Company openly and responsibly in the framework of building a positive corporate image while respecting the journalistic code of ethics;
- 3.7.2 Maintaining good relationship by receiving and following up constructive critiques conveyed through the media by keeping taking aspects of risk, reputation, right of reply and cost into account.

### 3.8 Ethics of the Management and Employees

Leaders in BGA Group shall have the following characteristics: honest, humble, *Genba*, creative, consistent self-improvement, nurturing and guiding, to being role models, healthy (body, heart, mind and soul), humility and responsibility all of which expected to be a reference in leading employees according to their tasks and responsibilities.

Those leadership characters will form positive and ethical behaviors among superiors, subordinates and fellow coworkers.

Positive and ethical behaviors in doing daily activities in the Company are as follows:

#### 3.8.1 Attitudes of Superiors to Subordinates

- a. Respect subordinates and treat them as complete people in terms of humanity.
- b. Listening to the complaints of each subordinate, providing opportunities to express their grievances and to resolve any complaints properly. If a complaint can not be resolved then it will be submitted to the higher levels (escalation) in accordance with BGA-SOP-HC-311.1-R0 on *the Grievance Resolution*.

- c. communicate politely, openly, honestly and responsibly.
- d. Enhancing subordinates' knowledge and reward their creativity, innovation and initiative.
- e. Involving subordinates in working processes, appreciating different opinions, accepting constructive criticism and taking inputs from subordinates into account for decision making processes.
- f. Being behavioral role models daily speaking and acting.
- g. Being the pioneers of managerial reform and changes.
- h. Implementing a culture of compliance with the Company's code of conduct and policies.
- i. Encouraging/motivating subordinates to get higher achievement and jointly achieve the performance already set.
- j. Correcting or reprimanding the subordinate in polite, fair and constructive manners without discouraging their working enthusiasm.
- k. Providing equal opportunities to subordinates to develop their careers without discrimination based on ethnicity, religion, race, gender and class.
- l. Responding to any reports received regarding disciplinary violations and following them up fairly and transparently in accordance with the Company's regulations.
- m. Maintaining the unity and cohesiveness of the entire employees of BGA Group to avoid unsound competition between different groups (*silo mentalism*).
- n. Avoiding any form of intimidation or pressure, humiliation and abuse of subordinates.

### 3.8.2 Attitude of subordinates to superiors

- a. Working honestly and professionally in carrying out duties its obligations with full responsibility and discipline.
- b. to act and behave politely towards superiors and fellow employees.
- c. Enhancing skills, knowledge and professionalism in carrying out duties and obligations.
- d. Providing positive and constructive suggestions and input to superiors.
- e. Courageous and free to express opinions politely and responsible for discussing superiors' policies that are not in accordance with the rules and/or objectives of the Company and submitting suggestions for improvement.

- f. Avoiding negative discussion on superiors' policies with fellow subordinates, potentially causing slander and counter-productive situation to the Company's performance.
- g. Complying with the Company's rules and applicable laws and regulations by informing superiors any indications of irregularities.
- h. Complying and being consistent with the law, policies and Standard Operating Procedure (SOP) already set.
- i. Avoiding doing any action beyond the authorities.
- j. Complying and respecting agreements contained the Company's regulations and other regulations.

### 3.8.3 Attitude to Coworkers

- a. Maintaining polite and courteous behaviors and mutual respect both inside and outside the Company.
- b. Developing abilities and skills to work in groups for the Company's progress.
- c. Having a high working enthusiasm and are always ready to help colleagues or other work units of the Company.
- d. Willing to share knowledge, experience and skills with other colleagues without fear of being rivaled.
- e. Respecting each other and not underestimating and discriminating with each other.
- f. Being open, sympathetic and helpful colleagues; respecting others and their opinions; and accepting different opinion.
- g. Having the spirit of healthy competition to spur maximum performance.
- h. Avoiding actions and sayings containing intimidation, harassment, humiliation, mocking, slander and demeaning fellow co-workers.
- i. Maintaining a harmonious atmosphere based on dedication and trust to achieve a common goal.

### 3.8.4 Behavior in the Workplace

- a. Neat and polite dressing in working (you may not use other companies' t-shirts and logos and lagging pants). Wearing t-shirt (collared) and jeans only on Fridays or other appropriate events and determined by the Company.
- b. Wearing shoes during working hours in the Company (not using the flip/slipper).

## CODE OF CONDUCT

BGA-COC-HC-333.1-R1

---

- c. Attending the workdays predetermined by the Company where an employee has started his/her work on time unless the employee was ordered to carry out special tasks.
- d. Not leaving office during the working hours for any reason without the knowledge and approval of the supervisor.
- e. Using ID Card during the work hours and in the Company's premises.
- f. Not making rumbling noises like shouting/talking loudly both inside and outside the office.
- g. Not smoke during the working hours and at forbidden places determined by the Management.
- h. Employees who wish to terminate their employment with the Company shall fulfill and follow the conditions set by the Company and in accordance with applicable laws.

## CHAPTER IV

### CODES OF CONDUCTS FOR EMPLOYEE OF BGA GROUP

#### 4.1 Keeping he Company's Reputation

All employees of BGA Group shall realizes that having the shared spirit of the Company is very important and keeping the name of good or reputation of the Company is a must to support the smooth operation and viability and success of the Company's businesses.

**All employees of BGA Group shall:**

- 4.1.1 maintain courteous and polite behaviors both inside and outside the Company's premises.
- 4.1.2 care and maintain the company's good image and reputation.
- 4.1.3 perform their religious worshipping and obligations according to their beliefs and apply religious tolerance.

#### 4.2 Caring for Occupational Health and Safety

As a company whose vision is **"To be the leading palm oil producer through continuous improvement, focused on Productivity, Cost Efficiency, and business Growth"** BGA Group has a commitment to ensure the availability of healthy, safe and conducive working environment for employees, contractors and partners in running their projects and other programs at all the plantations, factories and offices of the Company.

**All employees of BGA Group shall:**

- 4.2.1 Fulfill and comply with prevailing laws and regulations, work standards and norms in the implementation of Occupational Safety and Health (OHS) aspects.
- 4.2.2 Implement, maintain and improve the performance of OHS system.
- 4.2.3 Provide training and guidance on the OHS system to employees, contractors and visitors.
- 4.2.4 Regularly review the OHS system to ensure that these policies remain relevant to current conditions and purpose of the Company.
- 4.2.5 form P2K3 to develop harmonious cooperation between the Management and workers in applying the OHS system.

## 4.3 Maintaining Occupational Safety and Health in the Work Environment

OHS management is very important for the success of the Company's business activities. All employees in the Company shall apply and maintain behaviors which will realize OHS.

### **All employees of BGA Group shall:**

- 4.3.1 Comply with all OHS standards.
- 4.3.2 Control and understand situation and conditions of the work environment by adhering to the implementation of OHS in the work environment.
- 4.3.3 Prioritize preventive measures that avoid the occurrence of accidents.
- 4.3.4 Avoid any actions that can harm yourself or others' health such as drinking liquors, consuming illegal drugs, etc.
- 4.3.5 Mitigate any accident in accordance with applicable standards and procedures and always have an emergency response plan.
- 4.3.6 Report any work incident and accident to the management of each unit and related authorities within the specified time limit.
- 4.3.7 Conduct regular examination, inspections and evaluations of all facilities including resources, equipment and detection systems carefully according to their authority to ensure their readiness.

## 4.4 Maintaining Good Relationship among Employees of BGA Group

All employees of BGA Group shall realize that having harmonious relationship and strong sense of togetherness among superiors, subordinates and fellow coworkers will greatly support the Company's performance.

### **The entire employees of BGA Group shall:**

- 4.4.1 Behave politely and courteously to co-workers and always apply 3S (smiling, greeting and welcoming).
- 4.4.2 Respect fellow employees of BGA Group without discriminating one employee from another.
- 4.4.3 Try to understand and recognize the needs of other employees.
- 4.4.4 be willing to share knowledge (*knowledge sharing*) and skills and help other coworkers without fear of being rivaled.
- 4.4.5 be honest and always think positively about other employees.

### 4.5 Keeping the Company's Confidentiality

Maintaining the trust of stakeholders, especially business partners/suppliers/contractors/vendors and ensuring that information relating to businesses which is confidential by their nature must be kept to protect the Company's reputation.

**All employees of BGA Group shall:**

- 4.5.1 Protect confidential information of BGA Group in accordance with applicable laws.
- 4.5.2 Protect accesses to information, arrangements on authorities and scope of work employees of BGA Group who can access to the company's information, both general and specific.
- 4.5.3 Protect informasi, explanation of the disclosure or use of confidential information of the Company, both verbal or in writing that can be used as evidence to the related parties, whether individuals, corporation, association or other legal entities from spreading. Information dissemination can only be carried out by officials who have been appointed by the Company in accordance with their authorities.
- 4.5.4 The obligation to maintain confidentiality can be excluded upon receipt of an appoint letter from an authorized officer or legal entity in relation to:
  - i. Taxation purposes.
  - ii. Legal objectives and court trial for criminal cases.
  - iii. Written request upon approvals of the Company's stakeholders.

### 4.6 Maintaining and using the Company's Assets

Company assets are resources owned by the Company to be used in an effort to achieve the Company's objectives.

Maintaining and using of the Company's assets is part of an effort to maintain the continuity of the Company's businesses.

**All employees of BGA Group shall:**

- 4.6.1 Keep the use of the Companies' assets for the Company's needs in accordance with social, economic and financial principles that can be accounted for by taking the associated business risks into account.
- 4.6.2 Keep the Company's assets in places that have been determined by the Company.
- 4.6.3 Keep, maintain, secure and save the Company's assets in accordance with applicable regulations.

- 4.6.4 Use the Company's assets according to positions, authorities and scopes of work already set.
- 4.6.5 Use and utilize the Company's assets only for the interests of the Company and not use them for personal interest, group interest and/or other third parties' interests.
- 4.6.6 Maintain the integrity of the Company's assets in accordance with their functions.
- 4.6.7 Ensure the recording and reporting of the Company's assets use standards according to accounting regulations.

### **4.7 Immoral Behaviors, Narcotics, Illegal Drugs, Gambling and Smoking**

Healthy behaviors based on moral and ethical values of each employee of BGA Group are believed to influence his/her performance contribution to the Company and to the formation of the Company's image.

#### **All employees of BGA Group are:**

- 4.7.1 prohibited from doing all form of actions that violate the values of decency like insults and slander.
- 4.7.2 prohibited from using, distributing and selling things related to narcotics and other illegal drugs and liquors.
- 4.7.3 prohibited from storing and circulating objects related to pornography.
- 4.7.4 prohibited from gambling in any form.
- 4.7.5 prohibited from smoking at public places except in places that have been provided by the Company.
- 4.7.6 prohibited from carrying sharp weapons and firearms or other weapons in the Company's premises that are not related to their duties and responsibilities.
- 4.7.7 prohibited from bringing pets in the Company's premises.

### **4.8 Sexual Harassment**

All employees of BGA Group must understand both the meaning and understanding of sexual harassment in accordance with the BGA-SOP-HC-311.2-R0 concerning *Sexual Harassment*.

To avoid sexual harassment, all employees of BGA Group are:

- 4.8.1 prohibited from doing actions that lead to sexual harassment and other related behaviors both physically and verbally.
- 4.8.2 prohibited from acting humiliation or intimidation based on gender leading to sexual matters.

#### **4.9 Recording and Preparation of Company's Reports**

All employees of BGA Group are obliged to manage documents, data and reports of the Company neatly, orderly, meticulously, accurately and *validly/up to date* by:

- 4.9.1 Providing data the accuracy of which can be accounted for.
- 4.9.2 Recording data and compiling reports based on correct, verified and accountable sources.
- 4.9.3 Submitting reports correctly, completely, concisely, clearly, precisely and timely as well as relevant to support the decision making process.
- 4.9.4 Not hiding the Company's data and documents during and after they are in office.
- 4.9.5 doing proactive action to anticipate risks to the Company when knowing the data, documents, records which are not appropriate and/or transactions which violate the law.
- 4.9.6 Keeping all of the Company's data, documents and reports in an orderly manner so that they can be easily found and used by all interested parties.
- 4.9.7 Documenting reports according to the Company's internal policies.
- 4.9.8 Not falsifying and manipulating the Company's data, records, documents and information.
- 4.9.9 Using/deploying and destroying the Company's data, records, documents and information company upon an approval of the authorities.
- 4.9.10 The company does not justify the existence of someone who, due to his/her position or profession or business relationship with the Company, uses the Company's data, records, documents and information for personal interests potentially harming the Company and other *stakeholders*.

### **4.10 Correspondence and Use of Internet**

In correspondence and using internet, all employees of BGA Group shall:

- 4.10.1 do correspondence in accordance with correspondence policies that have been defined by the Company.
- 4.10.2 Use the internet and email in accordance with BGA-SOP-ICT-603.1-R0 on applicable *Internet and Email Usage*.
- 4.10.3 Not accessing sites that are prohibited by Law No. 11 of 2008 concerning the Electronic Information and Transactions.

### **4.11 Avoiding Personal Conflict of Interest (Transactions by People inside the Company)**

All employees of BGA Group who have access to material information are not allowed misuse their positions and jobs to disclose material information which may affect transactions between suppliers/contractors/vendors or other parties causing harm to the Company.

### **4.12 Giving and Receiving Gifts, Bribery and Others**

- 4.12.1 It is not allowed to accept and/or to give gifts, souvenirs, business entertainment or any other facilities that can influence decision making that violates the applicable provisions in the Company.
- 4.12.2 It is permissible to hold and receive business meals with business partners and/or other stakeholders as long as they are carried out in line with the Company's goals at expenses of the Company that can be counted for and within reasonable limits at a respectable place that is not creating a negative image of the Company.  

Business banquet that can be received/given by employees of BGA Group shall be for the sake of businesses and to maintain cooperation with business partners.
- 4.12.3 Delivering gifts and/or souvenirs obtained from business partners such as placards, trophies and so forth shall be stored at the Company.
- 4.12.4 Any expense related to giving gifts, souvenirs and business meals must be approved by the authorities in the Company.
- 4.12.5 Gifts and souvenirs allowed to be received within reasonable limits shall be those for marriages, circumcisions, accidents, appreciation of the Company's achievements and souvenirs from other companies in the forms like pen, agenda, and calendar, among others.

4.12.6 Employees of BGA Group are prohibited from accepting/giving bribes or promising to receive/accept bribes and not induce others to bribe in any forms for conducting business activities inside or outside the Company's premises.

4.12.7 Employees shall not give/offer directly or indirectly any unreasonable gift or payment to others outside the Company in order to obtain privileges or preferential treatment in business transactions of the Company.

### 4.13 Conflict of Interest

4.13.1 Conflict of interests is a condition in which a person can make the decision in his/her position in the company that can provide benefits to himself/herself or others.

4.13.2 The cause of the occurrence of malfeasance is the presence of decision making process potentially affected by personal or group interests negatively.

4.13.3 Malfeasance is an abuse to duties, responsibilities and authority of employees of BGA Group as set in accordance with the appropriate organization structure of the Organization for personal or group interests potentially causing negative influence to decision making process to achieve the Company's goals.

4.13.4 Conflict of interest and malfeasance can occur if:

- a. building, managing or establishing a business similar to those run by the Company.
- b. Utilizing confidential information and Company's business data for non-interests of the Company.
- c. using positions for personal or group interests.
- d. Involved directly or indirectly in the management of a competing company and/or a partner company or potential partners.
- e. Doing work or profession outside the Company without prior consent from the Company.
- f. Having direct family relationships within the Company unless they have signed an integrity pact and are known by the Company.
- g. Engaging directly or indirectly in the Company's suppliers/contractors/vendors.

- 4.13.5 All employees of BGA Group shall comply with the followings below to avoid conflicts of interest and malfeasance:
- a. Avoiding conflict of interest in any form and put the Company's interests above personal or group interests.
  - b. Not to run a business that is same/similar or related to business activities carried out by the Company without the knowledge and an approval of the Company (making a written declaration to the Company).
  - c. Not to make transactions and/or use the Company's assets for personal or group interests.
  - d. Not use confidential information and business data of the Company for interests outside the Company.
  - e. Not utilizing and using the Company's copyrights that can harm the interests or hinder the development of the Company.
  - f. Not making an investment or business with parties that have business relationship with the Company directly or indirectly.
  - g. Not holding any positions in other companies/institutions desiring and/or willing to have business relationships with the Company.
  - h. Not utilizing positions to give preferential treatment to family, relatives, groups and/or other parties at the expense of the Company.
  - i. Not to give preferential treatments to suppliers/ contractors /vendors, business partners and other parties in excess of the policies that have been determined by the Company.
  - j. Not do any work or profession outside the Company without the knowledge and permission of his/her supervisor.
  - k. Not to get involved in the decision making process in business relations with suppliers/contractors/vendors and business partners who have a relationship with the Company and are required to report to the Company (in integrity pact) if they have family relations or other special relationships with suppliers/contractors /vendors and business partners.
  - l. All employees who have a conflict of interest must make a statement on conflict of interest by using the form in accordance with BGA-Form-COC-HC-333.1-001-R0 on Integrity Pact, and shall be willing to be examined by the Company in relation to the issue.

### 4.14 Political Activity

The Company provides the opportunity for all employees of BGA Group to be able to exercise their rights and obligations in channeling their political aspirations.

The company shall not take any political sides and shall have no political alliance with any political party regarding political activities of its employees.

**All employees of BGA Group in carrying out political activities shall:**

- 4.14.1 not use names, assets and potential of the Company for certain political purposes;
- 4.14.2 not make any contribution on behalf of the Company to any political party;
- 4.14.3 not make any memorandum of understanding, engagement, statement directly or indirectly that can show that the Company has affiliation to certain political parties;
- 4.14.4 in channeling their political aspirations of perform it outside working hours and not use the Company's attributes;
- 4.14.5 employees who hold any position in a political party or political activities that will interfere with their duties and responsibilities shall submit their resignation from the Company;
- 4.14.6 Not to carry out political activities either directly or indirectly in the Company;
- 4.14.7 prohibited to use attributes of political parties or social organizations affiliated with certain political parties within the Company.

### 4.15 Basic Principles of Policies on Business Ethics and Anti-Corruption

The company applies the basic principles of business ethics and anti-corruption policies to all employees to be able to carry out their duties and responsibilities in operations.

- 4.15.1 The Company's employees shall be subject to and comply with all laws and regulations in force in the Republic of Indonesia.
- 4.15.2 The Company's employees are committed to not promising, persuading, and/or asking governmental officials or officers to do, to give or not to enter into any agreement that violates laws and regulations or is contradictory to their duties and authorities.
- 4.15.3 Property, assets, or other resources belonging to the Company can only be exploited, used, given, and lent in accordance with the purposes and objectives of the Company's business activities, instead of activities that are against the law, regulations, and social norms that applies in the Indonesian societies.

4.15.4 Employees of the Company are independent, impartial and/or involved in political activities, including but not limited to participating as sponsors for political parties or candidates from certain political parties, related to business activities and/or within their business environment.

## CHAPTER V

### ENFORCEMENT AND REPORTING

#### 5.1 Commitment to Enforce Codes of Conduct

- 5.1.1 All employees of BGA Group, especially employees who have just joined the Company, shall sign the Integrity Pact as their commitments to implement this CoC and part of their employment agreement.
- 5.1.2 Employment integrity Pact shall be made and executed in two (2) original copies, 1 (one) of which shall be stored in a personal master file of the employee by HC *Group Dept.* and 1 (one) original copies shall be kept by the employee concerned.
- 5.1.3 HC *Group Dept* shall recapitulate employees of the Company who execute an Integrity Pact.
- 5.1.4 Manager of whistle blowing system shall have high level of independence and courage so that all information entered can be processed professionally.

#### 5.2 Violation

Each employee of BGA Group who learns of any violation of CoC shall report to HC *Group Dept* or his/her immediate superior any fraud to *whistle blower* and HC *Group Dept* which is responsible for:

##### 5.2.1 Monitoring compliance with CoC

- a. Recording all types of violations that occur.
- b. Following up on violations that occur in accordance with applicable regulations of the Company.
- c. Reporting every violation to the Management.

5.2.2 Each employees of BGA Group which reports violations of the CoC will be guaranteed and the Company will protect the identity of the reporter as long as the reporting can be accounted for. Violation of the CoC will be subject to sanctions in accordance with the Company's regulations and prevailing laws.

5.2.3 Each employee of BGA Group who learned of any fraud case causing adverse impacts on the Company shall report it clearly through the *whistle blowers* system.

## 5.3 Violence Reporting Mechanism

- 5.3.1 Implementation of CoC is a commitment and responsibility of all employees. In case of any violation or deviation, employees of BGA Group shall report it to their *Dept. Head*/direct superiors and *HC Group Dept.*
- 5.3.2 Through the whistle blowing system.
- 5.3.3 Disclosure of violations must be made in good faith and shall not be a personal complaint on a certain policy of the Company (*grievance*) or based on bad will/slander.
- 5.3.4 All employees of BGA Group and external parties of the Company (suppliers/contractors/vendors, business partners and societies) can report violations of the CoC committed by unscrupulous employees of BGA Group.
- 5.3.5 The Company shall follow up each reporting potentially causing material adverse and damage to the image of the company.
- 5.3.6 The reporter must clearly state his/her identity in the report, accompanied by relevant supporting evidence and the recipients of the report must keep the reporter's identity confidential.
- 5.3.7 The company will follow up on every report received in accordance with applicable provisions and mechanisms.
- 5.3.8 The Company will provide legal protection as the provisions in the prevailing laws and regulations.

## 5.4 Sanctions for Violations

- 5.4.1 Every employee of BGA Group who is proven to have committed a violation of CoC will be subject to sanctions in accordance with the company's regulations and the applicable laws.
- 5.4.2 Sanctions to employees who violate CoC are decided by the Management after receiving a report from the *Audit Dept. Head*, *HC Group Dept.* and supervisor of the employee concerned.
- 5.4.3 The Management shall decide granting coaching action, disciplinary sanctions and/or other measures and precautions to be implemented by the *Dept. Head*/immediate supervisor and *HC Group Dept* in each working units.
- 5.4.4 Sanctions for Management who commit violations shall be decided by the Board of Commissioners.
- 5.4.5 Other suppliers/contractors/vendors, business partners or stakeholders violating the CoC shall be subject to the provisions of as stipulated under the contract agreement entered into by both parties and in accordance with prevailing laws and regulations.



## CODE OF CONDUCT

BGA-COC-HC-333.1-R1

### 5.5 Interpretation

Each *Department Head/Group Dept. Head/Regional Head* and/or *HC Group Dept Head* shall be responsible to facilitate, to disseminate, to clarify and to improve employees' knowledge in relation to the Company's policy on CoC.

### 5.6 Consequences

Each *Department Head/Group Dept. Head/Regional Head* and/or *HC Group Dept Head* shall be fully responsible for the consequences arising from any deviation from the Company's policy on CoC.

### 5.7 Exception

Every exception to the terms of this Company's policy on CoC shall be upon a written approval from the Management.

Jakarta, November 13 2018

Hadi Fauzan

Agus Sutrisno

Management,

S. Eddy Kurniawan

Priyanto P.S

Mubarak Ahmad

Johan Puspowidjono



# PAKTA INTEGRITAS

## INTEGRITY PACT

### APPLICATION OF GOOD CORPORATE GOVERNANCE CODE OF CONDUCT

#### IN

#### BUMITAMA GUNAJAYA AGRO GROUP

I, the undersigned below :

Name :

Address :

ID No. :

As an employees of PT..... (Company) title/positions.....

#### **Confidentiality**

That I will strictly comply with any regulation on all confidential matters directly or indirectly related to my work at the company and all matters relating to the ownership of the Company's shares, and I will not divulge any information relating to the Company and all of its subsidiary companies and other affiliates (in the Company's Group) to anyone without limitation to the generality described above. As an employee of the Company, upon execution of this Integrity Pact, I promise as follows:

1. I will not divulge or give any data that he/she knows which any individual, legal entity, partners or company considers as confidential information.

#### And Confidential Information in this case means:

- (a) All information relating to businesses run by the Company's Group, which are personal by nature, including, but not limited to, products, research and development, intellectual property rights (HAKI), services, financial information, work procedure, list of customers, amount of funds that can be disbursed, marketing plans and strategies, techniques, knowledge, methods, and information about investments or outputs rather than matters relating to my work.
  - (b) All confidential information obtained by the Company's Group from third parties; to provide such information so that it becomes known by outsiders in any way beyond the authority granted to me.
2. I will not store documents in any form/media that contain confidential information under my authority or under my control at a certain time, and I must return the documents or media to the company in case of termination of employment in the Company.
  3. With all my knowledge and consciousness I document and save or remove for security reasons all working papers, documents and data, which are temporary and which have been completed, which contain lists and databases or collection of

## PAKTA INTEGRITAS

confidential data of employees, other confidential trades, operations, processes or agreements that are confidential and closed, related to the Company's business interests, (including and concerning the interests of all subsidiary companies and other affiliated companies), financial transactions or things related to The Company's Group as long as it is explicitly done and set forth in my service obligations and as instructed by Dept. Head/my superior.

4. I authorize the Company to take every precaution deemed necessary or prosecution for violation of any matter described above, and against other additional actions authorized by law or other provisions that are owned by the Company.
5. I would not induce or initiate employment of any employee in the Company and Business Group of other companies or groups.
6. I hereby submit to the Company all rights and interests in my position intellectual property rights (IPR) which already exist or are not patented or registered under the provisions of marks or similar regulations, which I understand or I learn, either individually or jointly with others, over a period of my working relationship with the Company. All invention which has been handed over to the Company under the provisions of this paragraph shall include the intellectual property developed develop by using equipment, facilities, resources or commercial information of the Company which are confidential and closed by nature.
7. I will adhere to and apply the basic principles of business ethics and anti-corruption policies in carrying out my duties and responsibilities in operation.
8. I will submit and obey every law and regulation prevailing in the Republic of Indonesia.
9. I commit myself not to promising, persuading, and/or asking governmental officials or officer to do or not to do anything, to give or not give an agreement that violates laws and regulations or is contrary to their duties and authorities.
10. I will not use, utilize, give or lend properties, assets, or other resources belonging to the Company other than for the intention and purposes of business activity of the Company, and/or for activities that are against the laws, regulations and social norms that apply in Indonesian societies.
11. I promise to be independent, impartial and/or not involved in political activities, including participating as sponsors for political parties or candidates from certain political parties, in relation to business activities and/or within their business environment.
12. In case of any provision or part of this Integrity Pact is declared invalid or no longer binding for any reason, the other articles that do not change therefore shall remain valid and binding and have legal force in accordance with applicable laws and regulations.



## PAKTA INTEGRITAS

13. Any disputes arising in connection with the Integrity Pact will be settled in accordance with the Company's Regulations and the prevailing laws and regulations.
14. This Integrity Pact shall come into force as of the signing date on the day and date as referred to below.

In witness whereof, this Integrity Pact is made consciously without coercion from any party to be used accordingly.

This Integrity Pact is made and executed in Jakarta, ..... 20....

Employee	:		Witnessed by	:	
Signature	:	_____	Signature	:	_____
Name	:	_____	Name	:	_____
Date	:	_____	Date	:	_____

## PAKTA INTEGRITAS

### APPLICATION OF *GOOD CORPORATE GOVERNANCE AND CODE OF CONDUCT* IN BUMITAMA GUNAJAYA AGRO GROUP

I, the undersigned below:

Name :  
Address :  
No. KTP :

As employee of PT..... (Company) in Titles/Positions.....

#### **Conflict of Interest and Non- Competition**

That I, as an employee of the Company, follow the instructions to protect the interests of the Company in situations of conflict of interest in accordance with the basic principles/authority, duties and responsibilities, as follows:

1. Employees must always use good judgment, be committed and behave professionally to protect themselves and the Company from potential conflicts.
2. Employees are not permitted to take part in any activity that can create a conflict of interest between the function/position held by an employee and other interests or obligations.
3. All employees are expected to devote their time solely to the interests of carrying out their duties and responsibilities in the Company.
4. To avoid any external/other interests that can cause a conflict of interest within the Company, employees are not permitted, without any written approval from the Company, to bind themselves to beneficial jobs that or to carry out other business activities, both individually and through agents, as long as the work relationship with the Company is still valid.
5. Employees are not allowed to participate, or interfere in the procurement/purchase of goods or services from the Company, where employees have financial/capital interests directly or indirectly.
6. Employees (on behalf of individuals or family members of employees) are not permitted to profit or directly control 5% or more ownership/shares the

## PAKTA INTEGRITAS

supplier/contractor/vendor companies and business partners currently or potentially performing as providers of goods or services for the Company.

7. Employees are not permitted to hold any position/title, paid or unpaid, in the supplier/contractor/vendor companies and a business partner currently or potentially providing goods and services for the Company.
8. Employees are not permitted to hold positions as Directors in the supplier/contractor/vendor companies and business partners who are currently or potentially as providers of goods and services to the Company.
9. Employees are not allowed to join financially or be employed by other companies that compete with the Company Group.

If this happens, the employee is obliged to make a statement and to seek an approval from the Dept. Head/Superior, and is known by the Management. If the employee fails make such statement, a penalty or sanction may be imposed in accordance with the Company's Regulations and applicable laws.

10. Employees are not allowed to open a business or to accept a job from other parties that can affect the performance of the employees, and/or can cause harm to the Company.
11. Employees are not permitted to use their position/authorities in the Company for personal or group benefits or interests.
12. Employees must submit in writing to the Dept. Head/Superior and/or HC Group Dept. in case of any conflict of interest.
13. Employees must perform the basic principles of business ethics and anti-corruption policies in carrying out their duties and responsibilities.
14. In the event that there are provisions or parts of this Integrity Pact which are declared invalid or no longer binding for any reason, other articles that do not change therefore shall remain valid and binding and have the power in accordance with the Company's Regulations and applicable laws.
15. Any dispute arising in connection with the Integrity Pact will be settled in accordance with the Company's Regulations and the applicable laws.
16. This Integrity Pact shall come into force as of the signing time on the day and date as referred to below.



## PAKTA INTEGRITAS

In witness whereof this Integrity Pact is made consciously and without coercion from any party to be used accordingly.

Witnessed by, and made by the undersigned in this Integrity Pact in Jakarta,..... 20...

Employee :  
Witnessed by :

Signature : \_\_\_\_\_ Signature : \_\_\_\_\_

Name : \_\_\_\_\_ Name : \_\_\_\_\_

Date : \_\_\_\_\_ Date : \_\_\_\_\_



# PAKTA INTEGRITAS

## RENEWAL OF INTEGRITY PACK

**A. Renewal of the Integrity Pac - Conflict of Interest**

( ) I want to renew my Integrity Pact to be adjusted to the company's policies in relation conflicts of interest.

I certify that I have read, understood and agreed to the Company's policies in terms of conflict of interest.

(Employees are required to read the company's policies attached before renew the Integrity Pact that I have given).

**B. Statement of Having Relationship with Supplier/Contractor /Employee (if any)**

( ) I would like to convey to the Company that the following names of supplier/contractor/vendor/business partners and the following employees have relationship with me:

Employee	<i>Supplier/Contractor/ vendor/ business partner</i>
Name : _____	Name : _____
Group Dept./Dept. : _____	Address : _____
Relationship : _____	Relationship : _____
Name : _____	Name : _____
Group Dept./Dept. : _____	Type of business : _____
Relationship : _____	Relationship : _____



## PAKTA INTEGRITAS

### C. A statement that will cause a conflict of interest (if any)

- ( ) As far as I know, I want to give information to the Company that the following things below will cause or lead to a conflict of interest between me and those who have an interest to me in the Company:

---

---

---

---

---

---

I declare that the information I have provided is true and complete. In case of any changes to the information given in the statement above, I will immediately notify the Company in writing.

Signature : \_\_\_\_\_ PT. : \_\_\_\_\_  
Employee name : \_\_\_\_\_ Dept/unit : \_\_\_\_\_  
ID number : \_\_\_\_\_ Date : \_\_\_\_\_