



CITATAH

**CODE OF CONDUCTS  
PT CITATAH TBK (the "COMPANY")**

## **A. PREFACE**

Trust from stakeholders such as workers, customers, suppliers, creditors and other stakeholders is a crucial factor for the improvement of the value and viability of PT Citatah Tbk (the "**Company**") business activities. In creating a trusted reputation, the Company should be managed in accordance with prevailing laws and regulations, and every individual in the Company also should have a high awareness of conducting good ethics such as honest, fair and trustworthy. Accordingly, the Company considers that Code of Conduct (the "**CoC**") is the urgent necessity.

The CoC is a commitment of all members of the Board of Directors, members of the Board of Commissioners, employees (permanent, contract, or outsourcing) at all level, and other Company's supporting organs (the "**Individuals of Company**") to create the Company's work ethics and cultures based on the principles of Good Corporate Governance (the "**GCG**") to achieve the Company's vision, mission, and values.

To keep abreast changes of the world, environment, society, and surroundings, this CoC may change according to future needs while upholding good ethical values.

## **B. VISION, MISSIONS, AND VALUES OF THE COMPANY**

### *Vision*

To be the pioneer in the stone and surfaces covering industry in Asia Pacific by delivering excellent products and services through innovative ideas and applications.

### *Missions*

We are in the stone and surfaces covering industry and building material trading business.

We provide integrated services to the need of our customers from our own marble quarry mining, sourcing, design, engineering and manufacturing.

### *Values*

#### **Courtesy**

We emphasize good manners in our attitude and always be courteous, based on our delight to serve our customers well.

#### **Integrity**

Our reputation is a reflection of our integrity at work, adhering to good business ethics in dealing with all our stakeholders, committing ourselves sincerely.

#### **Teamwork**

Strong teamwork is always performed to face challenges ahead, finding the best solutions to every customer's need through collaboration, consensus, unity and networking.

### **Accountability**

In doing business we always act responsibly to our customers, community, environment and the rule of law, wherever we operate, in order to fulfill our obligations well.

### **Transparency**

Transparency is the norm of a public company and we value this openness whilst respecting other parties.

### **Achievement**

We always strive to achieving our mission successfully which will create a milestone to our journey.

### **Humbleness & Harmony**

We urge all our team members to be humble persons far from arrogance, live simply in a harmonious brotherhood.

## **C. COMMITMENT OF THE COMPANY AGAINST THE STAKEHOLDERS**

### **1. Shareholders and Potential Shareholders**

The Company commits to focusing on the sustainable growth of the Company while maintaining business ethics to create maximum contribution for the Company's shareholders. Therefore, the Individuals of Company shall:

- a. Manage the Company's assets, both tangible and intangible, including business plans and other intellectual property rights, which are used only for business purposes and to ensure the going concern of the Company and its shareholders.
- b. Provide optimal performance and maintain a good reputation to increase shareholders value.
- c. Provide and disclose by the transparent, timely, accurate, clear and accountable manner of any necessary reports and information to the shareholders.
- d. Communicate with the Company's shareholders or prospective shareholders through Corporate Secretary.
- e. Conduct the principles of GCG, the Company's articles of association, prevailing laws and regulations in Indonesia or where the operations of the Company operate.

### **2. Customers**

The Individuals of Company are committed to prioritizing customer satisfaction and trust by:

- a. Carry out marketing honesty, fair, not provide misleading information and perform according to common business ethics prevailing in society.
- b. Sale the best product sale with competitive price and professional service.

- c. Not giving to or receiving from a gift from any customer that can influence the Company's decision making.
- d. Maintain customers' confidential information.

### **3. Workers**

The Company treats the workers as a valuable resource in achieving the Company goals. Therefore, the Company will always respect the workers with following ways:

- a. Apply applicable laws and regulations on employment.
- b. Provide clear explanation on the Collective Labor Agreement which includes workers' rights and obligations, including other benefit policies.
- c. Provide equal opportunities to every employee for their career and self-development in the Company.
- d. Guarantee that there is no any discrimination by seniority and SARA (tribe, religion, race, and intergroup) or other special treatment in the Company.
- e. Develop a system of recruitment, remuneration, career path, competence and reward system for the Company improvement.
- f. Create a clean, healthy and safe working environment for workers.
- g. Increase employee expertise by conducting simultaneous assessment and training.
- h. Strictly adhere to employees who do violation and provide sanction according to the applicable Collective Labor Agreement.

### **4. Business Partners**

The Company fosters a climate of cooperation with business partners by prioritizing trust, respecting each other and promoting business principles by:

- a. Partnerships shall be based on a balanced and mutually beneficial business agreement and apply applicable laws and regulations.
- b. Conduct business cooperation with strategic partners.
- c. Establish intensive communication that ensures the creation of business continuity solutions with business partners.
- d. Conduct business cooperation transparently according to assessment result, quality, delivery time, price, after sales service, and ease of transactions.
- e. It is prohibited to disclose the Company's confidential information to business partners and any information, which may result in unfair competition or to favor one of the prospective partners.

### **5. Competitors**

The Company always supports a healthy business competition climate in its business activities, and the Individuals of Company shall:

- a. Have a good business ethics following applicable legislation.
- b. Have mutual respect and maintain relationships with competitors.
- c. Sustain the reputation and reputation of the Company.

- d. It is prohibited to enter into agreements with competitors that may violate the provisions of laws and regulations including without limitation the prohibition of monopoly and unfair business competition.

## **6. International Trade**

For a business expansion to other countries or performing an international trade, the Company shall comply with applicable international laws and regulations. The Company commits to:

- a. Comply with international trade regulations, including licensing, customs clearance, freight forwarding, import-export documentation, reporting and preservation of required documents.
- b. Ensure that international transactions follow applicable rules and standards.

## **7. Government**

The Company commits to establish a good relationship with the government about the Company's business activities by:

- a. Perform a business with professional ethics following applicable laws and regulations.
- b. Establish healthy, harmonious, constructive, and ethical relationships following applicable legislation based on honesty and mutual respect with regulators and other relevant government institution.
- c. Avoid corruption, collusion and nepotism practices in dealing with a government agency and its officials.
- d. Support national and regional programs, particularly in education, social, economic, cultural, health and environmental sectors.

## **8. Creditors**

The Company requires external financial resources for business expansion. The Company always applies ethical behavior in building relationships with creditors by continuing to have the following commitments:

- a. The process of selecting a prospective lender shall be done promoting the professionalism, credibility, and reputation of a potential creditor itself.
- b. Provide real, transparent, accurate and accountable manner of financial and business information to prospective creditors and current creditors.
- c. Comply with mutually agreed agreements.
- d. Loan funds are using only for business purposes and will manage the funds efficiently.

## **9. Mass Media**

The Company believes that the information, which submitted to the public through the mass media, is essential for establishing the reputation and confidence of the Company's stakeholders. Therefore, the Company has the following commitments:

- a. Placing the media as an equal partner, so should build a positive and respectful cooperation.
- b. Provide and disclosure the truth of Company's information which can be accounted under journalism code of ethics and applicable laws and regulations.

## **10. Auditor**

In presenting the correct and appropriate financial statements according to the applicable accounting principles and laws and regulations, the Company shall have both internal and external auditors. For the optimum result of the report, the Company commits to:

- a. Ensure the independence of auditors, both internal auditors and external auditors, while examinations following definitions, professional standards and codes of conduct.
- b. Appoint Audit Committee, Head of Internal Audit and Public Accountant Firm according to the applicable regulations.
- c. Observing, reviewing and implementing recommendations from auditors who have become agreed action plans.

## **D. COMMITMENT AND ATTITUDE OF EMPLOYEE**

All employees of the Company, including their leaders, shall apply these commitments and CoC in daily work interaction and performance.

### **1. Relationship Between Co-Workers and Relationship Between Subordinates and Superiors**

The Company and all the Individuals of Company committed to creating a harmonious, competitive, and constructive work environment through the development of moral characters in the daily interaction between subordinates and superiors relationships as well as between co-workers. Therefore, all the Individuals of Company shall establish and implement good relations through the following ways:

- a. Promoting integrity, loyalty, and professionalism in carrying out tasks with high responsibility for the interests and improvement of the Company.
- b. Maintain polite and courteous behavior.
- c. Comply and consequent to the prevailing laws and regulations, policies, Collective Labor Agreement, and Standard Operating Procedures (SOP) in the Company.
- d. Develop teamwork skill for improvement of the Company.
- e. Receive any feedback and suggestions for self and performance improvement.
- f. Be open, sympathetic, helpful, respect each other, and shall express politely and professionally against any differences of opinion or thought, without physical violence, harassment and threats to co-workers and superiors.

- g. Working harmoniously based on dedication and mutual trust to achieve the vision and mission of the Company.
- h. Workers adhere to the superior's instructions relating to their positions and responsibilities, work ethics and the Collective Labor Agreement. The Company does not tolerate any violations of superior's orders, work ethics, and Collective Labor Agreement.
- i. Work with honest, professional and responsible attitudes.
- j. The superiors shall provide the same opportunity for career development to all subordinates.

## **2. Working Complaints**

Working complaints are an expression of dissatisfaction with working conditions, the application of safety standards and job security, interpersonal relationships that create an unpleasant working environment. The Individuals of Company shall submit working complaint through the appropriate manner according to the Collective Labor Agreement.

## **3. Assets Utilization and Maintenance**

All the Individuals of Company shall:

- a. Utilize the Company's assets effectively and efficiently to achieve the Company's objectives.
- b. Maintain and secure the Company's assets under applicable regulations. All assets of the Company must be protected against unauthorized use, embezzlement, and fraud.
- c. Not utilize the Company's assets for personal benefit, group interests and/or political activities and other third parties.
- d. Use the Company's assets according to the position, authority, and scope of work being carried out.
- e. Follow applicable accounting and reporting standards for recording and reporting of the Company's assets.
- f. Avoid misuse of the Company's resources, intellectual property, time and facilities including office equipment such as telephone, fax, email, computer and others for personal use.

## **4. Conflict of Interest**

Conflict of interest is a situation where there is a conflict between the economic interests of the Company and the personal economic interests of the Individuals of Company.

In carrying out its duties and obligations, the Individuals of Company shall always prioritize the economic interests of the Company above personal, family or other parties economic interests.

Therefore, to avoid these conditions and situations, all the Individuals of Company shall:

- a. Avoid any actions or relationships that may create conflicts with work or interests.
- b. Not utilize the Company's confidential information and business data for other than the Company's purposes.
- c. Not take advantage of the position to give preferential treatment to family, relatives, groups and / or other parties at the expense of the Company.
- d. Not involve both directly and indirectly in the management of competitor companies, business partners, and/or other potential business partners.
- e. Not make any investment or business ties with other parties who have a business relationship with the Company either directly or indirectly.
- f. If the Individuals of Company have information of the Company, they are not allowed to involve in trading of the Company's securities. Further, the Individuals of Company shall not allow conducting speculation on the Company's securities in the short term.
- g. If the Individuals of Company have a conflict of interest, they are not allowed to participate in discussion and decision-making containing conflict of interest.

## **5. Political Activities**

The Company respects the right of all Individuals of the Company to express its political aspirations. The Company does not make any political contribution and affiliated to any political party. On political activity matters, the Individuals of the Company have commitments as follows:

- a. Not exploit the name, assets, and potential of the Company for certain political purposes.
- b. Not participate on behalf of the Company or contributing in the name of the Company to any political party.
- c. Not make any understanding, engagement, and statement either directly or indirectly which may indicate that the Company has an involvement to a political party.
- d. Any political activities should be done after office hours and not use the attributes of the Company.
- e. Not carrying out direct or indirect political activity within the Company.
- f. Not carrying, showing, installing, and distributing symbols, pictures, and ornaments of political parties in the Company environment.
- g. If a person holds a position in a political party or political activity that will disrupt his or her duties in the Company, then the person shall submit his or her resignation from the Company.

## **6. Providing and Receiving Gratification and Business Entertainment**

The Individuals of Company shall not give and receive any form of gratifications including but not limited to money, gifts, goods, a particular position to the family, or others, which may affect the independence of the Individuals of Company in making decisions.

A business entertainment that can be accepted or given is a lunch or dinner to establish cooperation with prospective business partners. The Individuals of



Company may provide business entertainment as long as the Company bore the cost and relevant to the Company's activities.

The Individuals of Company shall have commitments to avoid these situations and conditions through the following ways:

- a. Not give influencing or directing any person to give or receive gratuities.
- b. Not offer any services to obtain personal benefit by violating the determined rules.
- c. Not providing facilities to other parties to get personal gain.
- d. Not accepting or providing gratification in any form that may affect decision making in violation of prevailing laws and regulations.
- e. The Individuals of Company who received any gifts due to the business relationship shall report to the Company. Further, the Company shall decide whether that gifts can be accepted, returned to the sender, or shall belong to the Company.
- f. To maintain business relationships, the Company may incur some expenses which accountable with reasonable value for several occasions such as religious festivals, anniversary celebrations, farewell and welcome party of Company's officials, and social activities.
- g. Not take any other actions that categorized as bribery according to the prevailing laws and regulations.

## **7. Maintain The Company's Reputation**

The Company's reputation always related to the behavior of the Individuals of Company. Therefore, the Individuals of Company shall:

- a. Maintain ethical behavior both within and outside the Company's environment.
- b. Care and keep the Company's good reputation.
- c. Commit and consequently apply the Company's ethics including this CoC, the Company's policy, Collective Labor Agreement and/or applicable laws and regulations.

## **8. Occupational Safety, Security, and Health**

Implementation and maintenance of attitudes that embody occupational safety, security, and health are a must, such attitudes, among others:

- a. Comply and implement laws, regulations, and/or standards on occupational safety, security, and health.
- b. Prevent and handle any accidents according to the applicable SOP.

## **9. Anti Narcotics, Alcohols, Gambling, Smoking, Weapons, Explosive Materials and Immoral Behavior**

In the Company's environment, all the Individuals of Company guarantee that they are free from drugs and other addictive substances, free of alcohol, no

gambling, no smoking in the Company's work area, no carrying sharp weapons unrelated to work, not carry out explosive materials, and not engaging in immoral acts.

## **10. Laws and Regulations Compliance**

- a. The Individuals of Company must comply and apply applicable legislation and regulations consistently.
- b. The Individuals of Company should avoid any actions that may lead to the laws and regulation violation.
- c. Putting forward the settlement through the deliberations to reach consensus in every dispute and if not reach consensus then it will be settled through the court. The Individuals of Company shall respect the ongoing legal process as well as the resulting decisions.
- d. The Individuals of Company shall not engage with other parties in unlawful cooperation adversely affecting the Company.

## **11. Confidentiality of Information**

- a. The Individuals of Company shall maintain the confidentiality of the Company's information.
- b. The Individuals of Company shall not misuse the Company's information including not limited to information on acquisitions, mergers, and other corporate actions.
- c. Any former of the Individuals of Company that has not worked, served, or transferred its shares, shall not disclose any Company's information which obtained during their work, service or shares ownership in the Company.
- d. The Individuals of Company may disclose confidential information if:
  - (1). Obtain prior written approval from the Company.
  - (2). The confidential information is already available in the public domain.
  - (3). The laws and regulations require for disclosure of confidential information.

## **12. Intellectual Property Rights**

All the Individuals of Company commit to:

- a. Respect other parties' intellectual property rights.
- b. Participate actively in protecting the Company's intellectual property rights.
- c. The Individuals of Company who involved in the development of the Company's products shall treat information on development processes or resulted products as the Company's assets either during the period of employment or after the Individuals of Company resign from the Company.

## **13. Donation Policy**

The donation is a contribution or participation of the Company because the initiative of the Company itself or at the request of another party, in the form of

funds, goods, vehicles or joint programs, to the communities surrounding the Company, organizations, institutions or other parties.

In providing donations, the Company shall:

- a. Selective and ensure the activities to be donated are according to their objectives, reputations of the individuals or organizations/institutions which are submitting proposals, and the Company's purposes.
- b. Provide donations to the right target and according to the necessity.
- c. Noting the availability of the Company's budgetary funds for donation activities.

#### **14. Activities Outside The Company**

The Individuals of Company is committed not to engage in activities outside the Company and/or become a member of any association or organization outside the Company if:

- a. The government prohibits such associations or organizations.
- b. Workers are abusing the Company's facilities to engage in activities within forbidden associations or organizations as mentioned in item a.
- c. These activities affect the reduction of working hours and/or work concentration and not prioritize the duties and responsibilities in the Company.

### **E. ENFORCEMENT**

#### **1. Socialization**

The enforcement process of CoC begins with socialization by the Human Resources Division both through face-to-face and electronic media that can be accessed by the Individuals of Company.

The objectives of the socialization are as follows:

- a. As the initial stage of introducing the CoC to the Individuals of Company.
- b. Inculcate the CoC to the Individuals of Company to learn and implement the Company's values and the CoC.
- c. Bringing awareness for the Individuals of Company to apply the CoC in all actions of the Company's daily activities.

#### **2. Informing Violations Against the Company's CoC**

- a. The informant shall report on the occurrence or alleged violation of this CoC through:
  - (1). Corporate Secretary;
  - (2). Board of Directors; and / or
  - (3). Board of Commissioners.
- b. Reporting as mentioned above shall be conducted in good faith and not about a personal complaint of the Company's policy.

- c. About such reporting, an informant must:
  - (1). Mention the identity of the perpetrators of the violation and the offense committed; and
  - (2). Mention an informant identity.
- d. The Company is obliged to accept and ensure that the reporting of CoC violations is processing with fairly and on time.
- e. The Company is obligated to ensure the confidentiality of the informant and the Individuals of Company who is reporting any violation of the CoC.

### **3. Sanctions for Violations of the Company's CoC**

- a. The punishment for the Individuals of Company who is found guilty of a breach of the CoC shall follow the Collective Labor Agreement, and / or other applicable regulations in the Company.
- b. If the violation is related to laws and regulations, it shall proceed according to the appropriate authorities with relevant legislations and regulations.

### **4. Statement of Compliance**

- a. Every year all the Individuals of Company are required to state their compliance with this CoC by signing an Integrity Pact Charter and Anti-Fraud Statement.
- b. The Integrity Pact Charter and Anti-Fraud Statement attached on the last page.

## **F. CLOSING**

The Company recognizes that this CoC cannot direct all the right actions in any situation. Therefore, the Company relies on the Individuals of Company to always think and act correctly and appropriately in any encountered circumstances and conditions by prioritizing the interests of the Company.

The BoD may issue resolution to regulate the CoC implementation for any provisions of this CoC that have not been sufficiently detailed.

\*\*\*\*\*

Under the Article 4 paragraph (3) of the Financial Services Authority Regulation No. 8/POJK.04.2015 on Web Site of Issuers or Public Companies, in the event there is any difference of interpretation between Indonesia language and foreign language in the disclosed information thus Indonesia language shall prevail.

## INTEGRITY PACT CHARTER AND ANTI-FRAUD STATEMENT

I : \_\_\_\_\_ / NIK.: \_\_\_\_\_  
Position/Department : \_\_\_\_\_

To support the implementation of GCG and to realize a clean, transparent, professional and ethical business world, I hereby state as follows:

1. Have read and understood the Company's CoC, as well as my obligations as the Individual of Company to comply the policies and enforce the rules outlined in the CoC.
2. Use my potential to support the acceleration of the implementation of GCG principles by prioritizing integrity by acting honestly, trustworthy, responsible, disciplined, avoiding conflict of interest.
3. Do not tolerate the existence of fraud either in the form of corruption, misuse of assets, and financial statement fraud.
4. Report any violations through the available reporting system.
5. Willing to accept sanctions based on applicable provisions in the Company if proven to violate this CoC and Integrity Pact Charter and Anti-Fraud Statement.

\_\_\_\_\_, \_\_\_\_\_

I am stating,

Acknowledged by,

(\_\_\_\_\_)   
Full Name and Signature

(\_\_\_\_\_)   
Full Name and Signature