


CODE OF CONDUCT
PT ADARO ENERGY TBK


Distribution list:


- The Board of Commissioners of PT Adaro Energy Tbk
- The Board of Directors of PT Adaro Energy Tbk
- The Audit Committee of PT Adaro Energy Tbk
- The employees of PT Adaro Energy Tbk and subsidiaries


This code of conduct will be reviewed periodically and updated as necessary.


Approved in Jakarta, March 5th, 2018



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Code of Conduct

PT Adaro Energy Tbk (“the Company”)

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A. Company Vision and Missions

Company Vision

to be a leading Indonesian mining and energy group

Company Missions

Adaro is in the business of mining and energy to:

- a. Satisfy the needs of its customers
- b. Develop its employees
- c. Partner with its suppliers
- d. Support community and national development
- e. Promote safe and sustainable environment
- f. Maximize shareholder value

B. Company Values

Integrity

- Protect the Company’s assets from fraud, theft, and unauthorized use.
- Prioritize the Company’s interest above the individual interest.
- Provide only factual data and information.

Meritocracy

- Compete fairly and ethically by building competence and delivering the best performance.
- Support subordinates' growth by giving equal opportunity.
- Appraise subordinates' performance objectively.

Openness

- Dare to express different opinions for the Company's best interest.
- Dare to admit mistakes and wrongdoings.
- Welcome constructive inputs and feedbacks.

Respect

- Demonstrate good manners and avoid the use of foul language.
- Treat everybody with full respect by appreciating differences.
- Show respect to others by listening attentively.

Excellence

- Execute PDCA — Plan, Do, Check, Action — consistently for the achievement of the Company's objectives.
- Do best to reach the optimal balance between quality and efficiency.
- Strive to exceed customer expectations.

C. Code of Conduct**1. Scope**

- a. This Code of Conduct shall apply to all employees, the Board of Directors, the Board of Commissioners and the Audit Committee.
- b. This Code of Conduct sets forth the principles and behaviors to be upheld in interacting with stakeholders.

2. Compliance with Laws and Regulations

- a. Comply with all applicable laws and regulations and apply Good Corporate Governance's principles: transparency, accountability, responsibility, independence and fairness.

3. Responsibilities to Shareholders

- a. Deliver added values to shareholders with high respect and integrity.
- b. Deliver information to shareholders on the Company's development on an accurate and timely basis, and report the Company's financial performance and information on a regular basis.

4. Communication with Shareholders and/or Investors

- a. Enhance shareholders' and/or investors' roles and participation through effective and continuous communications in order to achieve the Company's objectives.

5. Insider Trading and the Use of Company Information

- a. Not buy or sell the Company's shares either directly or through a family member / other people when having insider information of the Company.
- b. Not involve in activities to manipulate the Company's share price.
- c. Not disclose, disseminate and/or use the Company's confidential information to unauthorized parties with the purpose to obtain personal and/or other parties' gain.

6. Anti-Corruption and Anti-Fraud

- a. Not give gratification or bribe the state officials or public servants.
- b. Not give or accept gratification from the suppliers of goods and/or services, customers and creditors.
- c. Not commit any fraud.

7. Conflict of Interest

- a. Not conduct any transaction that has the potential to create any conflict of interest with the Company.
- b. Obtain approval from the Company's Board of Directors if involved in or become a member of the executive or supervisory board, or shareholder of a business which is a direct competitor and/or supplier of the Company and may cause a conflict of interest with the Company.

8. Responsibilities to and Policies on Employees

- a. Treat employees on a fair and respectful manner by taking account of their rights and dignity as a human.
- b. Update employees on the Company's development.
- c. Create comfortable and safe work environment.

9. Responsibilities to and Policies on Customers

- a. Ensure customer satisfaction.
- b. Provide accurate information regarding the products and/or services offered by the Company.
- c. Comply with and respect all agreed terms, conditions, and contracts.

10. Responsibilities to and Policies on Suppliers

- a. Give equal opportunities to all suppliers based on what the Company requires.
- b. Treat suppliers based on the agreed rights and obligations

11. Responsibilities to the Communities

- a. Carry out programs that can empower the communities surrounding the Company's operational locations.

12. Company Assets

- a. Responsible for protecting the Company's assets and only use them for the Company's interests.

13. Occupational Health and Safety and Environment

- a. Apply the best practices in managing occupational health and safety and environment.

14. Fulfillment of Creditors' Rights

- a. Committed to fulfilling the creditors' rights under the agreed terms.

15. Information Disclosure

- a. Committed to providing information on all Company's information including the financial condition, performance, and control as well as the Company's governance in accordance with the applicable laws and regulations.
- b. Convey information disclosure to the Financial Services Authority, Indonesian Stock Exchange and the public on the information considered material, relevant, and influential to the shareholders and/or investors' investment decisions.