

PT AUSTINDO NUSANTARA JAYA Tbk.

ANJ GROUP

**Code of Ethics on
Business Conduct**



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I. OPENING

We uphold the values of Integrity, Respect for People and the Environment and Continuous Improvement, and we have used such virtues to guide us in our every action.

We build trust and a good reputation towards and for our stakeholders by upholding the principles of transparency, accountability, objectivity and equity, all of which are reflected in our Code of Ethics on Business Conduct (the “**Code of Ethics**”).

This Code of Ethics is intended to:

- Guide the officers and employees of PT Austindo Nusantara Jaya Tbk. group (“**ANJ**” or the “**Company**”) so that their business conduct remains consistent with the ethical values and standards of ANJ.
- Enhance understanding of the ethical values and standards of ANJ for customers, suppliers and other interested parties outside of ANJ.

“In business, the factors of trust, honesty, persistence, capability to fulfill promises, and solidarity have become quite dominant. These are all part of strong business ethics. If a person breaks the ethics in business, I can assure you that such person will definitely fail”

Julius Tahija – Founder of ANJ

II. MESSAGE FROM THE MANAGEMENT OF THE COMPANY

In 2012, the ANJ group opened a new chapter by focusing itself on the businesses of plantations, food and renewable energy. In 2013, ANJ took another step in its development by conducting an initial public offering of its shares on the Indonesia Stock Exchange. The extensive changes and development of ANJ during the past several years require ANJ to place more emphasis on its commitment to and the importance of its core values namely, Integrity, Respect for People and the Environment and Continuous Improvement.

Integrity is the quality of having strong moral principles. By behaving with integrity our actions will be guided by a clear conscience and common sense. Integrity guides us whenever we take action on our own initiative or without the knowledge of others. When acting with integrity, we have no expectation of reward and we take full responsibility for our actions.

The above approach and set of values constitutes a basis and starting point which form the initial steps and guidelines for the development of good behavior. However, such references have not or do not automatically ensure certainty and the proper exercise of good behavior. The agreed approach and set of values as well as concrete actions must go hand in hand to ensure optimal results. In the context of ANJ, I am sure that the actions and deeds displayed by all employees and the management of ANJ, which are informed by integrity, will be

able to create a culture of excellence to achieve the vision and mission of ANJ.

In responding to the dynamics of a strategic and business environment which has become increasingly complex, ANJ has issued guidelines on the Code of Ethics of ANJ in order to ensure that the behavior of all of its employees and management when conducting business is aligned with the core values of ANJ. In order for the Code of Ethics of ANJ to remain relevant with the times, this Code will be reviewed from time to time to ensure that it accords with the business development of ANJ, the interests of its stakeholders and the conditions of the relevant social and legal climates.

The Code of Ethics of ANJ is not only rhetorical in nature but is also informed by a philosophy whose aim is to inspire honorable behavior. Accordingly, the Code of Ethics has not been prepared merely to be read and kept. All of the employees and management of ANJ must understand, commit to, digest and implement the Code of Ethics. The management believes that no matter how good any code of ethics or procedures may be in theory, this alone will not ensure the absence of any breaches of it unless all employees fully comprehend and faithfully implement its provisions.

I would like to take this opportunity to remind you that compliance with the Code of Ethics of ANJ constitutes a fundamental obligation and that accordingly, the management will impose sanctions for any violations of the Code regardless of rank and position. If in the carrying out of day-to-day work

any doubt or uncertainty should arise, do immediately report it to the relevant direct supervisor or the management for the most appropriate measure, solution or decision (“doable, auditable and accountable”).

Finally, I invite all of us to consistently implement the Code of Ethics of ANJ and to remind each other of the importance of implementing the Code. By practicing the values inherent in this Code of Ethics of ANJ, I am sure that a culture of good corporate governance will be instilled that will create a stronger ANJ group which in turn will contribute much to the nation.

Yours sincerely,
Suwito Anggoro

III. OUR PARADIGM

A. Core Values of the Company

1. Integrity

We uphold the principles of the Company and implement them in all of our actions. We are therefore responsible for our work and behavior.

2. Respect for People and the Environment

We prioritize the safety and health of all of our workers and stakeholders and treat each other equally, fairly and respectfully. We are also committed to conserving the environment and the balance of the ecosystem in territories where our Company operates.

3. Continuous Improvement

We continually strive to enhance our skills and are committed to giving our best performance in all of our actions.

B. Compliance is the Responsibility of all Employees

As part of their work responsibilities within the ANJ group, the following is expected of all employees:

1. To read, understand, comprehend, commit to and implement the duties of the Company in accordance with the standards of the Code of Ethics of the Company and its implementing policies, paying due note to both the substance and spirit which form the basis of this Code.
2. To comply with all laws and regulations prevailing in the territories of the Republic of Indonesia and the operational territories of the Company, paying due regard to both the substance and spirit of such regulations.
3. To report on any behavior which is potentially in violation of the law and all actions which are potentially in violation of this Code of Ethics or which contravene the spirit that forms the basis of this Code of Ethics.
4. To not oppose/threaten any employee who reports or wishes to convey inquiries regarding any case of violation to the Code of Ethics.
5. To be fully cooperative during the process of investigation into any case of violation to the Code of Ethics of the Company.
6. To complete all necessary trainings.
7. To seek clarification, in the event of doubt when taking any action, from a direct supervisor or, if needed the legal counsel of the Company.

8. In the event of investigation into any case of violation of the Code of Ethics, all employees must keep the investigation process confidential unless otherwise required based on the prevailing laws and regulations.

An officer at ANJ has additional responsibilities:

1. To promote the Code of Ethics, specific work policies and the values of ANJ by making all of the above part of the work of its employees.
2. To allow employees to complete training in the Code of Ethics and to ensure their compliance with the Code.
3. To set an example of positive behavior in accordance with the Code of Ethics.
4. To ensure that the employees are well aware that they may ask questions or convey their concerns to the management, and that the management will listen to and provide appropriate feedback.
5. To not promise anything to any employee which is beyond his/her authority or which would be impractical to meet, such as immunity or confidentiality at the time the employee conveyed their concerns.
6. To not make any policy, regulation or standard operating procedures (the “**SOP**”) which undermines or neglects the essence of the values inherent in this Code of Ethics.

“A leader must be able to cooperate with his/her subordinates and set an example of good values. Without strong leadership, discipline and courage will all be in vain.”

Julius Tahija – Founder of ANJ

C. Joint Responsibility

ANJ is committed to realizing the values of the Code of Ethics for its customers, suppliers and shareholders alike, namely by producing good quality and beneficial products for its consumers. We will meet this commitment by maintaining the implementation of the Code of Ethics standards as set out in the guidelines and by complying with our responsibilities as good citizens. Accordingly, all employees of the Company have joint responsibility and each individual shall be responsible for the following:

1. To be knowledgeable and run the business of the Company in accordance with the prevailing laws and regulations.
2. To maintain quality in accordance with the Company's standards, namely, to participate in maintaining the environment as well as the safety and health of all employees, customers and suppliers within the scope of the Company.
3. To treat all customers, suppliers and the government honestly and fairly.
4. To avoid any situation which involves or potentially involves conflict between personal interests and the interests of the Company.
5. To properly maintain and use the internal information, property and resources of the Company and other organizations within the auspices of the ANJ Group.

6. To keep confidential information which is not to be or has not been published and to refrain from any conduct that might bring personal advantage based on such information.

Our commitment to joint accountability serves as an assurance of our respect towards the dignity and honor of each individual and ensures that each individual is treated fairly.

Basic guidance on each of the above responsibilities will be elaborated in the following pages of this Code of Ethics.

Please note that the implementation of the Code of Ethics, the Company policies and the prevailing laws and regulations is not an option but a requirement in realizing joint accountability. Violations to the ethical standards of the Company form the basis of disciplinary actions and/or legal measures, including the termination of employment and the possibility of lawsuits. Accordingly, if you have any questions or concerns regarding the implementation of the Code of Ethics or other regulations and policies relating to your work, do convey them to the individuals as designated in this Code of Ethics before engaging in any act.

D. Guidance in Practicing the Code of Ethics

1. Read the entire Code of Ethics.
*Observe the **substance** and digest the **spirit** underlying this **Code of Ethics**.*
2. Conduct duties and work with due observance of the Code of Ethics to prevent actions which are in violation of the law or are unethical.
3. Here are several questions which may be of help in making the right decisions:

Is this action in violation of the law?

If you believe that a particular action is in violation of the law, do not proceed with it. If you require information on the prevailing regulations in certain cases, do discuss such issues with your supervisor or the Legal Department.

Is this action in line with the policies of the Company, including the Code of Ethics of the Company?

You are expected to not engage in any action which is not in accord with the Code of Ethics and the policies of the Company.

Would I feel comfortable if my action became known to everyone?

Ask yourself if you would still engage in the same action if you knew that it would make the headlines of tomorrow's newspapers.

4. This Code of Ethics constitutes general rules and guidelines which form the basis for the drafting of internal regulations of the Company such as the Company Regulation, SOPs, Employment Contracts and other rules which relate to the employment relations and the operational manual.

IV. COMPLIANCE POLICIES

A. Compliance with Laws and Regulations

Basic Principles
Integrity
Responsibility as Citizens

Description of Basic Principles

1. The Company complies with all prevailing laws and regulations and will ensure that all such obligations be carried out in accordance with the prevailing laws and regulations.
2. Compliance with the prevailing laws and regulations is extremely important in ensuring that the Company is able to properly carry out its business activities, without any interruptions which may result in the delay or obstruction of such activities.
3. Employees are obliged to understand the laws and regulations in accordance with their duties and work.

Several examples of relevant laws and regulations which generally have a significant impact on the businesses of ANJ include the following:

Environment

Laws and regulations regarding plantations

Laws and regulations regarding forestry

Laws and regulations regarding energy

Laws and regulations regarding the protection and management of the environment

Laws and regulations as issued by the regional governments

Capital Market, Accountancy and Tax

Laws and regulations regarding the capital market

Laws and regulations regarding taxation

Generally Accepted Accounting Practices (*Pernyataan Standar Akuntansi Keuangan, PSAK*) and their interpretation

Other laws and regulations which are also relevant to employees and the Company.

B. Company Policies regarding Work Safety, Health and the Environment

Basic Principle

Responsibility towards the Safety of Others and the Environment

Description of the Basic Principle

1. We prioritize the safety and health of our employees as well as the protection of the working environment, starting from their mindsets, actions, methods of continued supervision and ways of obtaining commitments to do this from all parties.
2. We protect the working environment by conducting evaluations on the possibility of work-related accidents or on matters that are projected to endanger workers such as their working equipment, work methods or the conditions of their working environment, and we also take preventive and security measures.
3. We identify the dangers in each stage of the process as set out in the Manual on the Management System for Work Safety and Health (*Manual Sistem Manajemen Keselamatan dan Kesehatan Kerja (“SMK3”)*)), conduct regular trainings, obtain required work permits, document other safety procedures and measure the safety index for each period.

4. We ensure that all operational equipment and procedures are used pursuant to the skills of each employee/operator, as proven by certifications.
5. We ensure that the processing and disposal of waste does not pollute the environment, in accordance with regulations on the processing of waste matter as set out in the Analysis on Environmental Impact (*Analisa Dampak Lingkungan*, AMDAL).

C. Work Relations

Basic Principles

Professionalism which Enables Focus on the Achievement
of Best Performance

Fairness and Equal Treatment Based on the Principles of
Transparency and **Objectivity**

Distinct **Division** between Personal Interests and the
Interests of the Company

Description of Basis Principles

1. We conduct the recruitment of employees and their career developments in a fair manner based on their competence, strengths, abilities, achievements and dedication without regard to their ethnic group, religion, race, gender or characteristics and other exclusive traits which are irrelevant to their work qualifications and competence.
2. We create a working environment which is free from social and sexual harrassment and Ethnic, Religious, Racial and Intergroup Discrimination (SARA) as well as unpleasant behavior and violence, either in the form of physical, psychological or verbal actions as set out in detail in the Company Regulations.
3. We prohibit employees from granting any gratification either personally or jointly to their supervisors. We also prohibit supervisors from accepting any gratification

from their subordinates which may be perceived as a bribe, based on the following criteria:

- a) it was given/obtained due to/resulted from the position of the relevant employee at ANJ,
 - b) it was intended to influence the results of a decision-making process which should have been done professionally and objectively,
 - c) it was given in the context of work,
 - d) it was given with the expectation of reward in the form of a special treatment.
4. We do not misuse our authority as supervisors by requesting any goods or services which are personal in nature and are outside the context of work pursuant to social norms.

D. Relations with Suppliers and Customers

Basic Principles

Distinct Division between Personal Interests and
Interests of the Company

Equality

Fairness

Transparency

Description of Basic Principles

1. We do not accept the granting of gifts which are exclusive in nature in the form of cash, cash equivalents or others, either personally or from any organization which is doing or seeking to do business with ANJ or a competitor of ANJ.
2. We reject offers:
 - a) for meal allowance and transportation when attending a seminar or invitation from a supplier outside of facilities given by the Company,
 - b) for gifts in the form of in-kind or other indulgences by a supplier/candidate supplier during a survey or a business trip outside of the basic needs of a Company's duty (such as karaoke and spa),
 - c) for parcels/other gifts from any party which is engaged in business with ANJ or from those who wish to engage in business with ANJ

notwithstanding they are in a social context (such as for religious celebrations),

- d) for food/drink invitations from any supplier which may raise a perception of conflict of interest to the detriment of the Company.

If circumstances do not allow for a rejection to be made directly, then the relevant gift must be handed over to the Company.

- 3. We return to the Company all gifts received from winning door prizes acquired from Company transactions, awards for achievements of the Company as well as gifts from attending seminars or social gatherings held by business partners which we attended in carrying out our duties.
- 4. We return to the Company all bonuses acquired from purchases, either in the form of goods, discounts and cash refunds.
- 5. We strive to ensure:
 - a) That purchases pass via the formal channels and official procedures of the government,
 - b) That we purchase only original/authentic goods, and
 - c) That we pay our obligations to the state in accordance with prevailing rules.
- 6. We do not attempt to gain any advantage or to achieve the objectives of the Company or personal objectives by engaging in improper business or bribery.

E. Relations with the Government

Basic Principles

Transparency

Supporting a Clean Government to Realize a State
Economic Competitive Advantage

Description of Basic Principles

1. We comply with all laws and regulations prevailing within the territories of the Republic of Indonesia, particularly the substance and spirit of such regulations and not only their forms/format.
2. We do not request or induce state officials to take any action or grant any approval which is in violation of the law and the laws and regulations or which conflicts with their duties and authorities.
3. Material assets or other resources of the Company may only be given or lent for activities which relate to the objectives of the Company and not for activities which conflicts with the prevailing rules or laws and regulations or social norms.
4. We do not involve the Company in political activities, particularly to become a sponsor for certain political parties within the auspices of or in relation to the business activities of the Company.
5. Only an employee who is authorized due to his/her position and responsibilities may represent the Company in communicating with the Government.

F. Conflicts of Interest

Basic Principles

Interests of the Company shall be Prioritized
Division between Personal Interests and Interests of the
Company
Transparency

Description of Basic Principles

1. We make a clear and distinct division between personal interests and the interests of the Company and avoid any situation which may result in or be perceived as a conflict of interest between the interests of the Company and personal interests.
2. We carry out duties for the interests of the Company without any consideration of personal gain.
3. We and our immediate families do not engage in any business which is in competition with the interests of the Company, including:
 - a) to take the opportunity to sell products and services which are similar to those of the Company to the consumers of the Company,
 - b) to purchase products and services which are similar to those purchased by the Company from the same supplier at the time the stock of such supplier is limited, and

- c) to sell or purchase products and services to/from the Company without following the normal procedures.
4. We report on any relation which may raise a perception of conflict of interest in a Statement of Conflict of Interest to safeguard and secure the Company from any conflict of interest, including discriminative actions. The following constitutes relations which may raise the perception of a conflict of interest:
- a) Significant financial ownership by an employee or an immediate family member of an employee in a company other than ANJ which is engaged or seeks to engage in business with ANJ or which is in competition with/could potentially become a competitor of ANJ.
 - b) To serve as a director, partner, consultant or other key position in a company other than ANJ which is engaged or seeks to engage in business with ANJ or is a competitor of ANJ.
 - c) To run/own any business which is the same as that of the Company (such as palm oil plantation) within a radius of 100 kilometers from the business premises of the Company.
 - d) To act as a broker/agent or other form of intermediary in any transaction which relates to ANJ or its interests.
 - e) Other conditions or situations, including family relations or other personal relations which may

result in an employee being perceived as conducting actions which are detrimental to the interests of the Company.

5. We do not use the property of the Company, information of the Company or our title/position in the Company for our own personal interests, such as to engage in a business opportunity which is acquired from working at the Company.

G. Usage and Maintenance of Company's Property

Basic Principles

Confidentiality

Responsibilities as Custodian

Description of Basic Principles

1. We are responsible for maintaining and using the Company's property and internal information efficiently, effectively and solely to achieve the objectives of the Company in accordance with the prevailing rules.
2. We support the establishment of an Internal Control System and comply with the internal control procedures to ensure that:
 - a) the property of the Company is safely secured and used for its intended purposes, and
 - b) financial records and financial reports are made accurately and may be relied upon.
3. All records are owned by the Company and constitute our work at the Company.
4. We must use the Company's money or funds prudently, just as we would use our own. It is the Company's intent that its employees do not suffer any losses nor gain any financial profits from business trips and entertainment.

5. We are prohibited from approving any report on costs or business trips or entertainment which we ourselves have prepared.
6. The party authorized to approve any report on business trips or entertainment shall be responsible for examining the propriety and reasonableness of the expenditures as well as to ensure that such report on costs is complete and supported with receipts and explanations which support such expenditures.
7. For external parties, we only share financial and operational data or the operational systems of the Company which have already been published or are made available to the public in accordance with the provisions of laws and regulations.

H. Company Information and Financial Disclosure

Basic Principles

Transparency

Relevance

Accuracy

Description of Basic Principles

1. We do not provide internal Company information (including but not limited to the business strategies, contracts to be executed, products to be launched, research results, information on customers or suppliers, acquisitions or divestments and financial data) which has not yet been made available to the public to parties outside of the Company or to unauthorized parties within the Company without the prior approval of an authorized Director.
2. We will not utilize Company information which has not been made available to the public for the purposes of personal transactions or for personal gain, including to trade in ANJ shares or to acquire beforehand an asset or a business field which is to be acquired by the Company.
3. We will not keep nor send illegal data or data which infringes intellectual property rights, including but not limited to music, films and softwares.
4. We will not manipulate accounting treatments, records or preparations of financial statements of the Company. All financial statements of the Company, accounting

records, research reports, sale reports, records on liabilities, production reports, reports on the entry of employees and other reports will always be prepared based on accurate and complete data which clearly represent the relevant facts or the true nature of the transactions.

I. Relations with Investors and the Media

Basic Principles

Consistency

Accuracy

Disclosure of Information

Relevancy

Description of Basic Principles

1. We will not provide information on behalf of the Company to any party (including, among others, the shareholders, share agents, investment analysts, candidate investors and the mass media) if we are not so authorized.
2. We will treat each member of the investment community and the mass media fairly, in accordance with reasonable business practices in the investment community and the mass media.

J. Insider Trading

Basic Principle

Balanced and Fair Market Information

Description of Basic Principle

1. The Company maintains and respects the principle of ensuring that information is released to the market in a balanced and fair manner, so that the activity of a so-called insider in relation to the trading of securities of the Company is done only on the basis of a balance of information, whether it be factual or conjectural, being available on the same basis to both (company) insiders and the general public.
2. An “Insider” (hereinafter referred to as an “**Insider**”) is:
 - a) a Commissioner, Director or employee of the Company,
 - b) a major shareholder (*pemegang saham utama*) of the Company,
 - c) an individual who, due to his/her position or profession or due to his/her business relations with the Company, is able to obtain insider information,
 - d) a party who, within a period of the last 6 (six) months, is no longer a party as referred to in (a), (b) and (c) above.
3. Insider information is material information owned by an Insider of the Company which is not yet available to the public or is not yet known by the public. Such material

information may influence a person's decision to sell or purchase shares or securities of the Company.

4. Material information does not always come in the form of definitive information. Information that something "will" or "might" happen may also constitute material information.

Examples of material information are as follows:

- a) Merger, share purchase, amalgamation or establishment of a joint venture.
- b) Share split or distribution of dividends.
- c) Extraordinary revenue from dividends.
- d) Acquisition or loss of a material contract.
- e) Significant new product or invention.
- f) Change in control or material change in the management.
- g) Announcement on re-purchase or payment of debt securities.
- h) Additional sale of securities to the public or to limited purchasers for material amounts.
- i) Purchase or loss in the sale of material assets.
- j) Relatively important labor dispute.
- k) Material lawsuit against the Company and or a director and commissioner of the Company.
- l) Filing of offer for the purchase of securities of another company.
- m) Change of the accountant to audit the Company.
- n) Change of trustee.
- o) Change of the Company's fiscal year.

5. An Insider who possesses insider information and his/her affiliates are prohibited from:
 - a) trading (both selling and purchasing) shares or securities of the Company until such insider information has been made available to the public,
 - b) trading (both selling and purchasing) shares or securities of another company which is conducting a transaction with the Company until the closing of such transaction,
 - c) influencing a party to purchase or sell the shares or securities of the Company or another company which is conducting a transaction with the Company,
 - d) providing insider information to any party which should have known that such information may be used to purchase or sell the shares or securities of the Company or another company which is conducting a transaction with the Company.
6. An Insider and his/her affiliates are prohibited from attempting to acquire insider information in an unlawful manner.

V. MEASUREMENTS TO BE TAKEN WHEN IN DOUBT

1. When in doubt on whether an act or a decision to be taken is in line with this Code of Ethics or when in doubt on a policy of the Company, you are expected to delay such action and discuss the matter with the relevant division heads to find a solution. The division heads as referred to above are:
 - a) Policies on Compliance with Laws and Regulations:
Legal and Corporate Secretary
 - b) Policies on Work Safety, Health and the Environment:
Environment, Health and Safety Division
 - c) Policies on Work Relations:
Human Resources Division
 - d) Policies on Relations with Suppliers and Customers:
Purchase/Marketing Division
 - e) Policies on Relations with the Government:
External Affairs Division
 - f) Policies on Conflicts of Interest
The Company Division in which the conflict of interest may arise or has arisen.
 - g) Policies on Usage and Maintenance on Company's Property:
Finance/Information Technology Division

- h) Policies on Company Information and Financial Disclosure:
Finance Division
- i) Policies on Relations with Investors and the Media:
External Affairs/Investor Relations Division
- j) Policies on Insider Trading:
Legal and Corporate Secretary

If needed, you and the relevant division heads may also discuss the matter with the team of authors of the Code of Ethics.

2. If no solution is found and the problem at hand is quite significant, then you and the relevant division heads are requested to report any such problem to the Board of Directors. The Board of Directors is authorized to decide on the appropriate course of action in case of doubt.
3. If the above problem contains a discrepancy or may result in a shift in a prescribed Company policy, then the Board of Directors may consult on the same with the Board of Commissioners and its organs. For matters required under the Articles of Association of the Company, the Board of Directors is obliged to request the approval of the Board of Commissioners.

VI. CLOSING

Compliance will not take place automatically. Compliance will require a commitment from all of us. The Company therefore expects all senior officers of the Company to communicate this Code of Ethics and emphasize the importance of understanding, comprehending and implementing its values for the good corporate governance of the Company.