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
- Audit Committee of PT Adaro Energy Tbk
- Employees of PT Adaro Energy Tbk and subsidiaries

This Code of Conduct will be periodically reviewed and renewed as it is deemed necessary.

Approved in Jakarta, 5th March 2018

Garibaldi Thohir*
President Director

Christian Ariano Rachmat*
Vice President Director

Chia Ah Hoo*
Director

David Tendian*
Director

M. Syah Indra Aman*
Director

Julius Aslan*
Director

*All members of the Board of Directors have signed the document in Indonesian version.
Code of Conduct

PT Adaro Energy Tbk (“Company”)

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A. Company Vision and Missions

Company Vision
To be a leading Indonesian mining and energy group.

Company Missions
Adaro operates in the business of mining and energy to:
a. Satisfy the customers’ needs;
b. Develop employees;
c. Partner with suppliers;
d. Support community and national development;
e. Promote a safe and sustainable environment;
f. Maximize shareholders’ value.

B. Company Values

Integrity
- Protect company’s asset from fraud, theft, and unauthorized use;
- Prioritize company’s interest above the individual interest;
- Only provide factual data and information.

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

Openness
- Dare to express different opinions for the best interest of the company;
- Dare to admit mistakes and wrongdoings;
- Welcome other’s constructive inputs and feedbacks.

Respect
- Demonstrate good manners and avoid rude language;
- Treat everybody with full respect without discriminating their differences;
- Show respect to others by listening them attentively.

Excellence
- Execute PDCA consistently for the achievement of company’s objective;
- Do the best to reach the optimal balance between quality and efficiency;
- Strive to exceed customers’ expectations.
C. Code of Conduct

1. Scope
   a. This Code of Conduct shall be applicable to all employees, the Board of Directors, the Board of Commissioners, and the Audit Committee. The Company maintains the commitment to uphold the standards of this Code of Conduct in its interaction with all stakeholders.
   b. This Code of Conduct sets forth the principles and behaviors that must be upheld in interacting with stakeholders.

2. Compliance with Laws and Regulations
   a. Always comply with the applicable laws and regulations and implement the principles of Good Corporate Governance, i.e. transparency, accountability, responsibility, independence, and fairness.

3. Responsibilities to Shareholders
   a. Provide added value to the shareholders in a responsible manner and with high integrity.
   b. Provide information to the shareholders with regard to the Company’s development accurately and timely, and report the Company’s performance and financial information on a regular basis.

4. Communication with Shareholders and/or Investors
   a. Always enhance the roles and participation of the shareholders and/or investors through effective and continuous communication in order to achieve the Company’s objectives.

5. Insider Trading and the Use of Company Information
   a. Avoid buying or selling the Company’s shares either directly or through (a) family member(s) / (an)other person(s) when receiving information from the Company’s insider(s).
   b. Avoid being involved in any activity conducted to manipulate the price of the Company’s shares.
   c. Avoid disclosing, disseminating, and/or taking advantage of the Company’s confidential information to any impermissible party with the objective to gain personal benefits and/or benefits for any other parties.

6. Anti-Corruption and Anti-Fraud
   a. Avoid conferring any gratification or bribe to state actors or civil servants.
   b. Avoid conferring or accepting gratification from suppliers of goods and/or services, customers and creditors.
   c. Avoid the act of fraud.

7. Conflicts of Interest
   a. Avoid conducting any transaction that has the potential to engender conflicts of interest with the Company.
b. Anyone who has been or wishes to be involved in or become a member of the management, supervisor, or shareholder of a business entity which is a direct competitor and/or supplier of the Company that has the potential to engender any conflict of interest with the Company must obtain an approval from the Company’s Board of Directors.

8. **Responsibilities and Policies to Employees**
   a. Always treat the employees in with fairness and dignity by taking into account their rights and personal pride as a human being.
   b. Always communicate the Company’s development to the employees.
   c. Create a comfortable and safe work environment for the employees.

9. **Responsibilities and Policies to Customers**
   a. Always prioritize the customers’ satisfaction.
   b. Provide accurate information with regard to the Company’s products and/or services.
   c. Comply with and respect all terms, conditions, and provisions agreed collectively.

10. **Responsibilities and Policies to Suppliers**
    a. Provide equal opportunities to the suppliers according to the conditions determined by the Company.
    b. Treat the suppliers based on the rights and obligations agreed collectively.

11. **Responsibilities and Policies to Communities**
    a. Always implement programs that can empower the communities surrounding the Company’s operational locations.

12. **Company Assets**
    a. Protect the Company’s assets and use them only for the Company’s interests.

13. **Occupational Safety, Health, and Environment**
    a. Implement the best practices in the management of occupational safety, health, and environment.

14. **Fulfilment of Creditors’ Rights**
    a. Maintain the commitment to fulfil the creditors’ rights according to the terms agreed in the contract.
15. Information Disclosure

a. Maintain the commitment to disclose all Company information including the financial condition, performance, and the control and governance of the Company in accordance with the applicable laws and regulations.

b. Always disclose the information deemed to be material, relevant, and have the potential to affect the investment decisions made by the shareholders and/or investors to the Financial Services Authority, Indonesia Stock Exchange and the public.