



INDOCEMENT
HEIDELBERGCEMENT Group

Attachment of Board of Commissioners Statement Resolution
No.: 012/Kpts/Kom/ITP/XII/2015
Dated : 4 December 2015

**CODE OF CONDUCT OF
BOARD OF DIRECTORS AND
BOARD OF COMMISSIONERS**

PT INDOCEMENT TUNGGAL PRAKARSA Tbk.

2015

I. INTRODUCTION

PT Indocement Tunggul Prakarsa Tbk. (the “**Company**”) as public listed company is committed to comply with the prevailing laws and regulations in performing its operational and business activities. Therefore, the Board of Directors and the Board of Commissioners (the “**Board**”) as Company’s organ who responsible to manage the Company shall act based on occupational ethics. Further, in performing their duties and responsibilities, all members of the Board, shall in good faith, full of responsibility and prudence for the interest of the Company with due care and diligence in order to achieve the purposes and objectives of the Company.

This Code of Conduct of the Board is compiled as a guideline for the member of the Board to conduct ethically. All member of the Board must comply with this Code of Conduct as set forth below.

II. CODE OF CONDUCTS

1. COMPLIANCE WITH APPLICABLE LAWS

All members of the Board shall comply with prevailing laws and regulations especially laws and regulations which are closely related to the business activities of the Company. In addition, the members of the Board are obliged to improve their knowledge and awareness to the new regulations.

Beyond compliance with laws and regulations, the members of the Board are expected to carry out their duties with integrity, professionalism, accountable, strive for excellence, service mindedness, teamwork, transparency, independency and fairness towards implementation of Good Corporate Governance.

All members of the Board shall also respect the principles and rules of fair competition.

In conducting business, member of the Board shall not actions which categorized as bribery and corruption. No member of the Board is allowed to provide or accept, either directly or indirectly, any gratification in any form or other advantage for the purpose of obtaining and retaining any improper business advantage, except for:

- occur infrequently (once or twice per year per business partner),

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- insignificant monetary value as defined below,
- arise only out of ordinary corporate hospitality and customary business practices,
- its acceptance does not violate any laws or regulations, and
- there is no reasonable possibility or potential inference that the decision to enter into a contract with the supplier depended on the receipt of such gifts or hospitality.

Thus, the following gifts and invitations can generally be accepted, depending on the individual situation:

- promotional gifts (e.g. ballpoint pens, calendars, note pads, coffee mugs, shirts or other simple articles of clothing, etc.) and other gifts of insignificant monetary value in general, and
- occasional invitations for business meals, as long as the invitation has a business purpose, (e.g. it takes place in the context of a business meeting) and the value of the business meal is appropriate to the invited person's position in the company.

"Insignificant monetary value" means the value does not exceed the cost of an ordinary business meal. In exceptional cases and only with the documented approval of the relevant supervisor, gifts, gratuities, benefits or invitations beyond this limit can be considered to have insignificant monetary value. In any case, bear in mind that in most countries gifts, benefits, gratuities and invitations above a certain amount are considered to be taxable income, naturally, the relevant tax laws and regulations must be observed.

All member of the Board who have access to insider information such as knowledge of data, projects, transactions or processes, the disclosure of which, likely to result in substantial movements of the price of the stock or any other financial instruments of the Company, shall not disclose such insider information to third party and shall not use such insider information for personal interest.

2. AVOIDING CONFLICT OF INTEREST

A conflict of interests may arise when the member of the Board's personal interest interfere with the Company's interest, which affect the ability of the member of the Board to perform their duties effectively and fairly.

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No member of the Board shall take part in any business activities where the member of the Board may be influenced by personal relations that are, or may be, construed as a hindrance to objective decision taking. All member of the Board are expected to fully disclose them.

Disclosure shall be made to the responsible Company's compliance officer if any member of the Board or member of his family (spouse, children or any other immediate family member) has or acquires, by gift, inheritance or otherwise, an interest in a vendors or customers business.

No member of the Board shall not have an interest in companies whose products compete with any of the Company's product lines (i.e. cement, ready mix concrete and aggregates). In addition member of the Board shall not perform any kind of services for any competitor of the Company. Disclosure shall be made to the Company's compliance officer, if a member of the Board's spouse, children or any other immediate family member performs services for any competitor of the Company.

3. DIVERSITY, FAIRNESS AND RESPECTS

The members of the Board have a responsibility to treat each other including Company's employee with dignity, which means appreciating diversity weather the diversity exists because of race, religion, gender, or any other different. This principle extends to employment decisions including recruiting, training, evaluation, promotion and reward.

Those the members of the Board is obliged to value and promote a workplace that is inclusive and fair and which foster respects for all of the employees, customer and business partners.

The member of the Board shall not conduct harassment which defined as a form of discrimination that consist of unwelcome behavior and has the purpose or effect of creating an intimidating, hostile, or offensive work environment. Harassment can come in many forms, including physical action, verbal or written remark or visual depictions.

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4. HANDLING COMPANY'S PROPERTIES, RECORDS AND INFORMATION

All members of the Board are expected to avoid damage, unnecessary costs or other disadvantages and shall not misappropriate to Company's property and handle the Company's property with due care. In addition, the members of the Board shall ensure that all resources are used for appropriate Company's business purpose.

The members of the Board shall also maintain that all business transactions must be recorded in a true, fair and timely fashion, in accordance with procedures, generally accepted accounting principles, appropriate accounts, records and reports. In preparing records, the members of the Board must act with integrity so that information is not incorrectly withheld, incomplete and misleading. Discrepancies in any records must be resolved with appropriate corrections and made transparently to person who needs the correction.

All documents and all other information on the Company's internal operations such as, but not limited to, administrative processes and procedures, organizational issues, technical know-how, business and financial plans, costs, product development, employees, customers, vendors, marketing, sales and process, have to be treated confidentially and shall be protected against any unauthorized use, in particular against access from the outside.

It is prohibited to disclose externally (including to press, investor or otherwise) or post to social media site, internal Company's information or communication without authorization.

5. ENVIRONMENT, OCCUPATIONAL HEALTH & SAFETY

The Company is committed to comply with all applicable environmental laws, regulations and requirements. The members of the Board shall take a proactive and long-term actions on environmental matters to prevent pollution and continuously improve environmental performance by reducing greenhouse gas emission, conducting energy and water conservation, reducing and properly of waste in the manufacturing process, using of sustainable raw material and practices, quarry rehabilitation and biodiversity management, monitoring and reporting environmental compliance and performance.

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Further, Health and Safety is an integral part of all Company's business activities. It is the responsibility and duty of each and every member of the Board to take care of Health and Safety measures, to follow all relevant rules, regulations and work instructions and to use appropriate personal protective equipment as required by applicable laws.

III. CLOSING

This Code of Conduct shall be effective as of 4 December 2015. The Company will review and revise this Charter from time to time in compliance with the prevailing laws and regulations.

Approved by the Board of Commissioners and Board of Directors on the December 4, 2015.

THE BOARD OF COMMISSIONERS



By _____
Name : **Dr. Albert Scheuer**
Title : President Commissioner

By _____
Name : **Tedy Djuhar**
Title : Vice President Commissioner/
Independent Commissioner

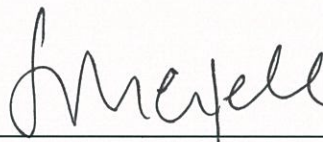
By _____
Name : **I Nyoman Tjager**
Title : Vice President Commissioner/
Independent Commissioner

By _____
Name : **Daniel Lavallo**
Title : Independent Commissioner



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By 
Name : **Dr. Lorenz Naeger**
Title : Commissioner

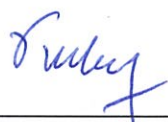
By 
Name : **Dr. Bernd Scheifele**
Title : Commissioner

By 
Name : **Daniel Gauthier**
Title : Commissioner

THE BOARD OF DIRECTORS

By 
Name : **Christian Kartawijaya**
Title : President Director

By 
Name : **Franciscus Welirang**
Title : Vice President Director

By 
Name : **Kuky Permana Kumalaputra**
Title : Independent Director

By 
Name : **Hasan Imer**
Title : Director



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By _____
Name : **Tju Lie Sukanto**
Title : Director

By 
Name : **Ramakanta Bhattacharjee**
Title : Director



By _____
Name : **Daniel Kundjono Adam**
Title : Director



By _____
Name : **Benny Setiawan Santoso**
Title : Director

By 
Name : **Daniel R. Fritz**
Title : Director