PROCUREMENT MANAGEMENT POLICY

I. GENERAL POLICY

1. Board of Directors of PT Indah Cup Sukses Makmur Tbk. (“Company”) establishes general policies in the procurement of goods by considering the applicable provisions which at least include policy and ethical principles for procurement of goods. The policy must be reviewed periodically considering changes in the business environment.
2. The Company's objectives in procuring goods include the following matters:
   a. Increase efficiency
   b. Supporting the creation of added value in the Company.
   c. Simplify and speed up the decision-making process
   d. Increase independence, responsibility and professionalism.

II. SCOPES

The implementation of these guidelines applies to all Company employees and the implementation of these provisions is to avoid injustice in the form of imbalance in information that is not available to other people who will transact with insiders and result in damage to market trust.

III. DEFINITION

1. The Board of Commissioners is the organ of the Company which is tasked with carrying out general and/or specific supervision in accordance with the articles of association and providing advice to the Board of Directors.
2. The Board of Directors is an organ of the Company that has full authority and responsibility for managing the company for the interests of the Company, in accordance with the aims and objectives of the Company and represents the Company, both inside and outside the court in accordance with the provisions of the articles of association.
3. Companies with the capital letter "P" are PT Indah Cup Sukses Makmur Tbk and its subsidiaries and affiliates, while companies with a lowercase letter "p" are other companies in general.
4. Good Corporate Governance is the principles that underlie a company management process or mechanism based on statutory regulations and business ethics.
5. Company Personnel are the Board of Commissioners, Directors, all employees and subsidiaries who work for and on behalf of the Company who work within the Company, including members of their nuclear families.
6. Anti-fraud and corruption are a form of Company management's commitment to preventing fraud and corruption by implementing a control system that is carried out effectively and continuously.
7. Fraud and corruption are all acts of deviation or omission that are deliberately carried out to deceive, deceive or manipulate the Company or other parties that occur within the Company and/or use Company facilities, resulting in the Company suffering losses and/or the perpetrators of fraud and corruption gaining good profits. directly or indirectly.
8. Whistleblowing System (WBS) is a guideline for the Company, as well as stakeholders in the process of managing, handling and complaining about matters related to violations and/or deviations from the code of ethics, law, standard procedures,

management policies and other regulations. deemed necessary, which could harm and/or endanger the Company, such as financial losses, the environment, working conditions, reputation of the organization, stakeholders and others.

IV. RESPONSIBILITY FOR QUALITY

Suppliers must provide goods in accordance with the Company's quality/specification, price, delivery and service standards (Quality Cost Delivery and Services ("QCDS")).

Each prospective Supplier will go through a fair and objective selection process. After that, each supplier will be evaluated regularly by the Company using QCDS standards.

To ensure compliance with goods quality standards, the Supplier must allow the Company to carry out a quality audit of the facilities, systems and/or documents related to the goods provided. For this reason, Suppliers are required to store and provide accurate and transparent information relating to the procurement of goods, including tender documents and payment information, as well as provide responses and corrective actions requested from the results of the quality audit.

V. SUPPLIER SELECTION AND EVALUATION

1. Supplier Selection
   a. Determine several potential suppliers for the types of goods required by the Company. If you only have 1 (one) potential supplier, you must provide an explanation to the Company Management.
   b. Receive information and documents from each potential supplier.
   c. Review information and documents of prospective suppliers based on the Company's QCDS criteria.
2. Supplier Evaluation
   a. The main and supporting raw materials used throughout the group must pass testing and be approved by the Unit in Charge to proceed to the next process.
   b. The Company's suppliers will be evaluated periodically to ensure and understand the performance of each supplier and overall the implementation of this evaluation complies with ISO 9001-2015 standard procedures.