

GOOD CORPORATE GOVERNANCE GUIDELINE

PT INDAH CUP SUKSES MAKMUR TBK
Jakarta 2024

**COMMITMENT OF THE BOARD OF COMMISSIONERS AND DIRECTORS OF PT INDAH CUP
SUKSES MAKMUR TBK
TO THE GUIDELINES OF GOOD CORPORATE GOVERNANCE**

The Board of Commissioners and Directors of PT Indah Cup Sukses Makmur Tbk are committed to making the Good Corporate Governance (GCG) Handbook and Board Manual a form of implementing GCG at PT Indah Cup Sukses Makmur Tbk.

The GCG Manual contains GCG principles at PT Indah Cup Sukses Makmur Tbk, while the Board Manual contains work guidelines that are structured, systematic, easy to understand and can be implemented consistently by the Board of Commissioners and Directors in order to create a Company management structure that is based on Good Corporate Governance principles.

Jakarta, March 2024

**PT Indah Cup Sukses Makmur Tbk.
Board of Commissioner**



[Phillip Tjipto]
President Commissioner

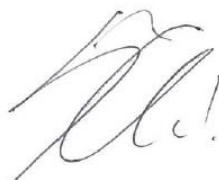


[Willy Soekianto Tanusaputra]
Independent Commissioner

Direksi



[Ronald Muntu]
President Director



[Christiani Japri]
Director



[Inon Suhendar]
Director



[Rusdy Sugiharta]
Director

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INTRODUCTION

A. Purpose of Preparing Good Corporate Governance Guidelines

PT Indah Cup Sukses Makmur Tbk (the "Company") realizes that in order to improve the quality of the Company's implementation of governance, it is necessary to develop a management guideline that is applied consistently so that it is hoped that it will produce a pattern of harmonious relationships that are mutually beneficial between the Company and all stakeholders. interests (Stakeholders). This harmonious relationship will make it easier to determine the direction of the Company's development and performance as well as the proper functioning of the functions of decision making, operational control and supervision of the Company's management.

Company management based on the principles of Good Corporate Governance is basically an effort to make Good Corporate Governance the rules and guidelines for Company management.

The application of the principles of Good Corporate Governance is currently very necessary so that the Company can survive and be resilient in the face of increasingly fierce competition. Good Corporate Governance is expected to be a means to better achieve the Company's goals, including by inhibiting corrupt practices, collusion and nepotism, improving budget discipline, utilizing supervision and encouraging efficiency in the Company's management.

For this reason, so that the implementation of Good Corporate Governance in the Company can run well, it is necessary to prepare a Good Corporate Governance Guideline which becomes a reference for Company Organs in carrying out their respective duties and obligations.

This Guide places a strong focus on the functions and responsibilities of the Company's organs, namely the General Meeting of Shareholders, the Board of Commissioners and the Board of Directors, as the front guard in implementing GCG.

These GCG guidelines will be reviewed periodically or if there are changes to regulations that effectively affect these guidelines.

A. Principles of Good Corporate Governance

The spirit or soul to implement Good Corporate Governance within the Company is reflected in the GCG principles which are accommodated in the implementation of the Company's daily business activities, which in this case consist of:

1. Transparency, namely openness in carrying out the decision-making process and openness in disclosing material and relevant information regarding the Company⁴.
2. Accountability, namely clarity of function, implementation and accountability of the Organ so that the Company's management is carried out effectively.
3. Responsibility, namely conformity in the management of the Company to Legislation and healthy corporate principles.
4. Independence, namely a situation where the Company is managed professionally without conflicts of interest and influence/pressure from any party that is not in accordance with the Laws and Regulations and healthy corporate principles.
5. Fairness, namely justice and equality in fulfilling the rights of stakeholders that arise based on agreements and statutory regulations.

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SHAREHOLDERS AND GENERAL MEETING OF SHAREHOLDERS (GMS)

A. Shareholders and GMS

Shareholders are the owners of the Company who have all authority that is not included in the authority of the Board of Directors and Board of Commissioners⁵². The GMS and/or Shareholders cannot intervene in the duties, functions and authority of the Board of Commissioners and Directors without reducing the authority of the GMS to exercise their rights in accordance with the Articles of Association and statutory regulations, including replacing or dismissing members of the Board of Commissioners and/or Directors.

B. Interests, Rights and Authorities of Shareholders/GMS

Shareholders as owners of the Company have an interest in:

1. Increase in Company profits;
2. Increasing the value of the Company; And
3. How the Company is run.
4. General Meeting of Shareholders

The GMS is a Company Organ that has authority that is not granted to the Directors or Board of Commissioners within the limits specified in this Law and/or the Articles of Association.

The GMS consists of:

a. Annual GMS

The Annual GMS is a GMS held periodically by the Company, where at the GMS the Shareholders give approval to the report on the realization of the Company's plans for the previous year and ratification of the Company's plans for the coming year.

A GMS is held every year consisting of an Annual GMS to approve the Annual Report and ratify the Annual Calculation;

b. Extraordinary GMS (EGMS)

EGMS is a GMS that is held at any time if it is deemed that there are certain matters that require discussion and decision making for the Company that are urgent and significant.

The implementation of an EGMS can be proposed by the Board of Directors and/or Board of Commissioners and/or Shareholders.

The Board of Directors is obliged to hold an EGMS according to a written request from the Board of Commissioners or Shareholders. Apart from the EGMS which is carried out with the physical presence of all Company Organs, there is also an EGMS where the implementation of the EGMS does not require a physical GMS to be held, which is also known as a Circular GMS. The EGMS has the same legal force as an ordinary RUPS.

C. Authority of Shareholders through the GMS

Shareholders through the GMS hold all authority that is not delegated to the Board of Commissioners or Directors.

Shareholders have the authority to influence and/or evaluate and/or change the

Company's plans only through the GMS, both Annual GMS and EGMS (including Circular GMS).

D. Shareholder Accountability

Shareholders do not interfere with the Company's operational activities which are the responsibility of the Board of Directors in accordance with the provisions of the Company's Articles of Association and applicable laws and regulations.

Good Corporate Governance is implemented by Shareholders in accordance with their authority and responsibility.

Shareholders have the responsibility to monitor the implementation of Good Corporate Governance principles in the Company's management process.

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BOARD OF COMMISSIONERS

1. Legal Foundation

- a. Law of the Republic of Indonesia Number 40 of 2007 concerning Limited Liability Companies.
- b. Law Number 8 of 1995 concerning Capital Markets.
- c. Financial Services Authority Regulation no. 33/POJK.04/2014 concerning Directors and Board of Commissioners of Issuers or Public Companies.

2. Board of Commissioners Functions

- a. Supervision of the Board of Commissioners is carried out over the management of the Company by the Directors, including related to management policies, implementation of policies in general, both regarding the Company and the Company's business and providing advice to the Directors;
- b. In carrying out supervision, the Board of Commissioners represents the interests of the Company, acts on behalf of the Board and cannot act as an individual;
- c. When carrying out supervision, you must not participate in making operational decisions. The Board of Commissioners can make decisions regarding matters stipulated in the Articles of Association or statutory regulations. These decisions are made within its function as supervisor, so that operational activity decisions remain the responsibility of the Board of Directors. Matters that are strategic in nature according to the Board of Directors and have a material impact on the Company can be submitted to the Board of Commissioners for approval.
- d. Supervision is carried out on decisions that have been taken (ex post facto) as well as decisions that will be taken (preventive basis);
- e. Supervision carried out is not only based on information from the Board of Directors and the GMS, but can also be based on information from other sources that can be accounted for;
- f. Supervision is carried out not only by approving or disapproving of actions that require approval from the Board of Commissioners, but supervision is carried out covering all aspects of the Company's business and operational aspects;
- g. Subject to the provisions of the Company's Articles of Association, GMS decisions and applicable laws and regulations;
- h. In good faith and with full responsibility carrying out duties for the interests and business of the Company.

3. Duties, Responsibilities and Authorities of Board of Commissioners

1. The Board of Commissioners is tasked with supervising and is responsible for overseeing management policies, the course of management in general, both regarding the Company and the Company's business, and providing advice to the Board of Directors.
2. Under certain conditions, the Board of Commissioners is obliged to hold an annual GMS and other GMS in accordance with its authority as regulated in statutory regulations and the articles of association.
3. Members of the Board of Commissioners are obliged to carry out their duties and responsibilities in good faith, with full responsibility and prudence.
4. In order to support the effective implementation of its duties and responsibilities, the Board of Commissioners is obliged to form an Audit

Committee and can form other committees.

5. The Board of Commissioners is obliged to evaluate the performance of committees that help carry out their duties and responsibilities at the end of each financial year.
6. The Board of Commissioners has the authority to temporarily dismiss members of the Board of Directors by stating the reasons.
7. The Board of Commissioners can take action to manage the Company in certain circumstances for a certain period of time determined by the articles of association or GMS decision.

4. Requirements of Board of Commissioners

- a. Individuals;
- b. Have good morals and morals;
- c. Able to carry out legal actions;
- d. Understand the Articles of Association and laws and regulations related to their duties;
- e. Never been declared bankrupt by the Court within 5 (five) years prior to nomination;
- f. Able to work together as a member of the Board of Commissioners;
- g. Never been a Director or Member of the Board of Commissioners who was found guilty of causing a company to be declared bankrupt within 5 (five) years prior to nomination;
- h. Never been convicted of committing a criminal act that was detrimental to state finances within 5 (five) years prior to his appointment;
- i. Not having a blood family relationship up to the third degree, either straight or sideways or a marital relationship (son-in-law or brother-in-law) with other members of the Board of Commissioners and/or Directors;

5. Membership of Board of Commissioners

1. The Board of Commissioners consists of 2 (two) or more members of the Board of Commissioners. One of them can be appointed as President Commissioner.
2. Each member of the Board of Commissioners, including the President Commissioner, has equal status. The task of the President Commissioner as *primus inter pares* is to coordinate the activities of the Board of Commissioners.
3. The number of members of the Board of Commissioners must be adjusted to the complexity of the Company while still paying attention to activities in decision making
4. Individuals who may be appointed as members of the Board of Commissioners are individuals who fulfill the specified requirements.
5. The distribution of duties among the members of the Board of Commissioners is regulated by them themselves.

6. Concurrent Position

Members of the Board of Commissioners can hold concurrent positions as:

1. Members of the Board of Directors in a maximum of 2 (two) Issuers or other Public Companies.
2. Members of the Board of Commissioners in a maximum of 2 (two) Issuers or other Public Companies.
3. In the event that members of the Board of Commissioners do not hold

concurrent positions as members of the Board of Directors, then members of the Board of Commissioners can hold concurrent positions as members of the Board of Commissioners in a maximum of 4 (four) Issuers or other Public Companies.

4. Committee members on a maximum of 5 (five) committees in the Issuer or Public Company where the person concerned also serves as a member of the Board of Directors or member of the Board of Commissioners.

7. Board of Commissioners Term of Office

The members of the Board of Commissioners are appointed by the GMS with the term of office of each member of the Board of Commissioners starting from the date of the GMS that appointed them and ending at the close of the 3rd (three) Annual GMS after the date of appointment, without prejudice to the right of the GMS to dismiss them at any time before his term of office ends by stating the reasons. After their term of office ends, members of the Board of Commissioners can be reappointed by the GMS.

The term of office of a Member of the Board of Commissioners ends if:

1. His term of office ends
2. Resign
3. No longer meets statutory requirements
4. Dismissed based on GMS decision.
5. Died

The GMS can appoint someone as a Member of the Board of Commissioners to fill the position of a Member of the Board of Commissioners who is dismissed from his position or to fill a vacancy. The term of office of a person appointed to replace a dismissed member of the Board of Commissioners or to fill the vacancy is the remaining term of office of the replaced member of the Board of Commissioners. Specifically for Independent Commissioners, the maximum term of office is 2 terms.

8. Independent Commissioner

In the composition of the Board of Commissioners, it is necessary to place an Independent Commissioner. Independent Commissioners are members of the Board of Commissioners who come from outside the Company and do not have a conflict of interest so that they do not have the potential to interfere with their ability to carry out their duties independently and critically, both in relation to each other and to the Board of Directors.

In order for this goal to be achieved, an Independent Commissioner is needed which has become a necessity for the Company. The number of Independent Commissioners is at least 30% (thirty percent) of the members of the Board of Commissioners, this composition may change in accordance with applicable regulatory provisions.

To be appointed as an Independent Commissioner, existing candidates must meet the following criteria:

1. Not a person who works or has the authority and responsibility to plan, lead, control or supervise the activities of the Company within the last 6 (six) months,

except for reappointment as an Independent Commissioner of the Company in the following period.

2. Does not own shares, either directly or indirectly, in the Company.
3. Has no affiliation with other Directors and/or Members of the Board of Commissioners or the main shareholders of the Company.
4. Has no direct or indirect business relationships related to the Company's business activities.
5. Have no blood family relationship up to the 3rd degree, either straight line or sideways or relationship arising from marriage with other members of the Board of Commissioners or with members of the Board of Directors.
6. In carrying out operational supervision function activities, the company will act independently, especially in terms of the decision-making process, including but not limited to the matters written above.
7. Independent Commissioners who have served for 2 (two) terms of office cannot be reappointed in the next period.
8. If an Independent Commissioner serves on the Audit Committee, the Independent Commissioner concerned can only be reappointed on the Audit Committee for 1 (one) subsequent term of office on the Audit Committee.
9. The Independent Commissioner's Statement of Independence must be disclosed in the annual report.

9. Working Hours of Board of Commissioners

1. The Board of Commissioners is obliged to provide sufficient time to carry out its duties and responsibilities optimally according to the Company's working days. However, it is not ruled out that members of the Board of Commissioners are present outside of the Company's working hours due to important and urgent matters.
2. The Board of Commissioners must be present at least at Board of Commissioners meetings and at Committee meetings where members of the Board of Commissioners are members of the Committee concerned.

10. Board of Commissioners Meeting

1. The Board of Commissioners is required to hold meetings at least 1 (one) time in 2 (two) months.
2. Board of Commissioners meetings can be held if attended by a majority of all members of the Board of Commissioners.
3. The Board of Commissioners is obliged to hold regular meetings with the Board of Directors at least once every 4 (four) months.
4. The attendance of members of the Board of Commissioners at meetings must be disclosed in the Company's annual report.
5. Decision making at Board of Commissioners meetings is carried out based on deliberation and consensus.
6. In the event that a consensus deliberation decision is not reached, the decision is made based on the majority vote

11. Accountability and Reporting

The Board of Commissioners is obliged to review the annual report to be submitted to the General Meeting of Shareholders. In the event that there is a discrepancy

between this Board of Commissioners Work Guidelines and the applicable laws and regulations, the applicable laws and regulations will be applied. The Board of Commissioners' Work Guidelines are regularly evaluated and updated with reference to the rules and regulations applicable in Indonesia.

BOARD OF DIRECTORS

1. Legal Foundation

- a. Law of the Republic of Indonesia Number 40 of 2007 concerning Limited Liability Companies.
- b. Law Number 8 of 1995 concerning Capital Markets.
- c. Financial Services Authority Regulation no. 33/POJK.04/2014 concerning the Company's Directors and Board of Commissioners.

2. Functions of the Board of Directors

The Board of Directors is a Company organ that is fully responsible for managing the Company for the interests of the Company and in accordance with the aims and objectives of the Company. The Board of Directors also represents the Company both inside and outside the court in accordance with the provisions of the Articles of Association.

3. Duties, Responsibilities and Authorities

- a. The Board of Directors is tasked with carrying out and being responsible for the management of the Company for the interests of the Company in accordance with the aims and objectives of the Company as stipulated in the articles of association.
- b. In carrying out duties and responsibilities for management, the Board of Directors is obliged to hold an annual GMS and other GMS as regulated in the statutory regulations and articles of association.
- c. Each member of the Board of Directors is obliged to carry out their duties and responsibilities in good faith, with full responsibility and prudence.
- d. In order to support the effective implementation of its duties and responsibilities, the Board of Directors may form committees.
- e. If a committee is formed, the Board of Directors is obliged to evaluate the performance of the committee at the end of each financial year.
- f. Each member of the Board of Directors is jointly and severally responsible for losses to the Company caused by errors or negligence of members of the Board of Directors in carrying out their duties.
- g. Members of the Board of Directors cannot be held responsible for the Company's losses if they can prove:
 - kerugian tersebut bukan karena kesalahan atau kelalaiannya;
 - telah melakukan pengurusan dengan itikad baik, penuh tanggung jawab, dan kehati-hatian untuk kepentingan dan sesuai dengan maksud dan tujuan Perseroan;
 - tidak mempunyai benturan kepentingan baik langsung maupun tidak langsung atas tindakan pengurusan yang mengakibatkan kerugian; dan
 - telah mengambil tindakan untuk mencegah timbul atau berlanjutnya kerugian tersebut.
- h. The Board of Directors has the authority to carry out management in accordance with policies deemed appropriate, in accordance with the aims and objectives set out in the articles of association.
- i. The Board of Directors has the authority to represent the Company inside and outside the court.
- j. Members of the Board of Directors are not authorized to represent the Company if:

- there is a case in court between the Company and the member of the Board of Directors concerned; and
- The member of the Board of Directors concerned has interests that conflict with the interests of the Company.

4. Requirements for Directors

- Individuals;
- Have good morals, morals and integrity;
- Able to carry out legal actions;
- Never been declared bankrupt by the Court within 5 (five) years prior to nomination;
- Never been a Director or Member of the Board of Commissioners who was found guilty of causing a company to be declared bankrupt within 5 (five) years prior to nomination;
- Never been convicted of committing unlawful or criminal acts that harm state finances within 5 (five) years prior to nomination as a candidate for Director;
- Never been a member of the Board of Directors and/or member of the Board of Commissioners during his tenure:
 - Never held an Annual GMS
 - Accountability as a member of the Board of Directors and/or member of the Board of Commissioners has ever failed to provide accountability as a member of the Board of Directors and/or member of the Board of Commissioners to the GMS; And
 - Has ever caused a company that obtained permission, approval or registration from the Financial Services Authority to fail to fulfill its obligation to submit annual reports and/or financial statements to the Financial Services Authority.
- There must be no blood family relationships up to the third degree, either straight or sideways, or marital relationships (son-in-law or brother-in-law) with other Directors and/or Members of the Board of Commissioners;
- Must not hold other positions which could give rise to a direct or indirect conflict of interest with the Company and/or which is contrary to the provisions of applicable laws and regulations;
- Having integrity and morals, that the person concerned has never been involved in:
 - fraudulent acts and deviant practices in management at the place where the person concerned previously worked prior to nomination;
 - breach of contract which can be categorized as not fulfilling the commitments agreed upon at the relevant place of work prior to nomination;
 - actions that can be categorized as providing personal benefits to prospective members of the Board of Directors, employees at the place concerned who previously worked prior to nomination;
 - acts that can be categorized as violations of provisions relating to the principles of healthy company management.
- Good character and ability to develop business for the Company's progress;
- Have competence, namely ability and experience in fields that support the implementation of the duties and obligations of the Board of Directors;

- m. Have a commitment to comply with applicable laws and regulations;
- n. Not a political party administrator and/or legislative candidate.

5. Membership of the Board of Directors

- 1. The Company is managed and led by a Board of Directors consisting of at least 2 (two) members of the Board of Directors, one of whom is appointed as President Director.
- 2. The position of each member of the Board of Directors, including the President Director, is equal. The task of the President Director as *primus inter pares* is to coordinate the activities of the Board of Directors.

6. Concurrent Position

- 1. Member of the Board of Directors at most 1 (one) other Company
- 2. Members of the Board of Commissioners in a maximum of 3 (three) other companies; and/or
- 3. Committee members on a maximum of 5 (five) committees in the Company where the person concerned also serves as a member of the Board of Directors or member of the Board of Commissioners

7. Term of Office

- 1. Members of the Board of Directors are appointed by the GMS, with the term of office of each Director starting from the date of the GMS which appointed him and ending at the close of the 3rd (three) Annual GMS after the date of his appointment, without prejudice to the right of the GMS to dismiss him at any time before his term of office ends by stating the reasons.
- 2. The term of office of a member of the Board of Directors ends if:
 - a. His term of office ends.
 - b. Resign.
 - c. No longer meets statutory requirements.
 - d. Dismissed based on GMS decision.
 - e. Die.
- 3. The GMS may appoint another person to fill the position of a member of the Board of Directors who is dismissed from his position or to fill a vacancy. The term of office of a person appointed to replace a dismissed member of the Board of Directors or to fill a vacancy is the remaining term of office of the dismissed or vacant member of the Board of Directors.

8. Working hours of members of the Board of Directors

- 1. Each member of the Board of Directors is obliged to provide sufficient time to carry out their duties and responsibilities optimally.
- 2. Members of the Board of Directors are required to be present at the Company's workplace for 5 (five) working days in 1 (one) week or according to the Company's working hours. Members of the Board of Directors may be outside the Company's workplace for official purposes, but it is possible for the Board of Directors to be present outside of the Company's working hours due to important and urgent matters.
- 3. Members of the Board of Directors must be present at the Company's workplace at least during the Board of Directors Meeting.

9. Board of Directors Meeting

1. The Board of Directors is obliged to hold regular Board of Directors meetings at least 1 (one) time every month.
2. A Board of Directors meeting can be held if attended by a majority of all members of the Board of Directors.
3. The Board of Directors is obliged to hold regular meetings of the Board of Directors and the Board of Commissioners at least once every 4 (four) months.
4. The attendance of members of the Board of Directors at meetings must be disclosed in the Company's annual report.
5. The Board of Directors must schedule meetings for the following year before the end of the financial year.
6. At a scheduled meeting, meeting materials are delivered to participants no later than 5 (five) days before the meeting is held.
7. In the event that a meeting is held outside the schedule that has been prepared, the meeting materials are delivered to the meeting participants no later than before the meeting is held.
8. Decision making at Board of Directors meetings is carried out based on deliberation and consensus.
9. In the event that a deliberative decision is not reached, the decision is made based on the majority vote.
10. The results of the meeting must be stated in the minutes of the meeting, signed by all members of the Board of Directors present, and submitted to all members of the Board of Directors.
11. The results of the meeting must be stated in the minutes of the meeting, signed by members of the Board of Directors and members of the Board of Commissioners who are present, and submitted to all members of the Board of Directors and members of the Board of Commissioners.
12. In the event that there are members of the Board of Directors and/or members of the Board of Commissioners who do not sign the results of the meeting, the person concerned is obliged to state the reasons in writing in a separate letter attached to the minutes of the meeting.
13. Minutes of meetings must be documented by the Company.

14. Accountability and Reporting

The Board of Directors is obliged to submit an annual report and financial reports that have been approved by the Board of Commissioners, to the General Meeting of Shareholders. In the event that there is a discrepancy between this Board of Directors' Work Guidelines and the applicable laws and regulations, the applicable laws and regulations will be applied. The Board of Directors' Work Guidelines are regularly evaluated and updated with reference to the rules and regulations applicable in Indonesia.

COMPANY CODE OF CONDUCT

PT Indah Cup Sukses Makmur Tbk Code of Ethics. (“**Company**”) refers to the main principles of good corporate governance, namely:

1. Transparency
Openness in carrying out the decision making process and in conveying material information regarding the Company.
2. Accountability
Commitment to achieving the best results for all stakeholders through clarity of function and accountability.
3. Responsibility
Clear accountability in terms of compliance with applicable laws and regulations.
4. Independence
Independent management of the Company in a professional manner, free from elements of conflict of interest and influence from any party.
5. Fairness
Equality and justice for all stakeholders.

The Code of Ethics applied in the Company is as follows:

Standards of Conduct

Company personnel carry out all activities with integrity, honesty and openness based on GCG principles and healthy corporate values while maintaining the Company's profitability.

Compliance with Laws and Regulations

Company personnel are required to comply with the laws and regulations in force in Indonesia.

Commitment to Employees

The Company values diversity and the role of employees in the success of business activities based on an attitude of mutual trust and respect. The Company recruits, empowers and develops employees based on the qualifications and abilities needed by the Company now and in the future, by paying attention to employee welfare according to the Company's capabilities. The Company implements an occupational safety and health program to maintain a safe and healthy work environment, as well as maintaining good relationships with employees through various communication forums.

Shareholders

The Company strives to create sustainable growth based on the principles of good governance, which provides benefits to shareholders. The Company always provides the latest information regarding business activities and performance in a fair, objective and timely manner.

Business partner

The Company establishes and implements mutually beneficial business relationships with all business partners. We strive to ensure that business partners comply with the Company's Code of Ethics.

Partnership with Creditors/Investors

The Company accepts loans/investment only intended for business purposes and increasing the Company's added value by:

1. Provide actual and prospective information for potential creditors/investors.
2. Select creditors/investors based on aspects of credibility and bona fides that can be accounted for.
3. Receive loans/investments that are bound by valid agreements with agreement clauses that prioritize the principle of fairness.
4. Provide open information about the use of funds to increase creditor/investor confidence.

Business Integrity

Company personnel do not accept gifts and do not make gifts in any form that could influence decision making. Any incident in this condition must be reported to superiors. The Company submits financial reports that reflect all transactions fairly in accordance with applicable accounting principles.

Conflict of Interest

The Company is committed to avoiding conflicts of interest that could harm the Company and minority shareholders. Company personnel are not permitted to abuse their position to obtain personal or group gain.

Commitment to the Environment

The Company is committed to implementing prevention and control of environmental pollution, as well as improvements that have an impact on environmental preservation. The Company strives to use natural resources wisely. The Company plays an active role and partners with other related parties to preserve the environment.

Partnership with the Community

The Company is committed to being part of the community and society by making positive contributions in the manufacturing sector to create a healthy, advanced and cultured society. The Company participates with government agencies and other institutions in developing legislation and regulations that are beneficial to society.

Compliance with the Company's Code of Ethics

The Board of Directors is responsible for ensuring that the principles of the Company's Code of Ethics are communicated, understood and implemented by all Company personnel. The implementation of the Company's Code of Ethics is carried out in stages to obtain commitment from all Company personnel. The Board of Commissioners and Directors, assisted by the Audit Committee, monitor the implementation of the Company's Code of Ethics.

POLICY PRINCIPLES

A. Anti-Fraud and Corruption and Anti-Corruption Policy

I. Purpose

1. Provide a reference for Company Personnel to improve Company culture and values.
2. Increase awareness and concern for the risk of fraud and corruption that can occur within the Company.
3. Avoid acts of fraud and corruption committed by Company Personnel.

II. Scope

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

III. Responsible

Functions responsible for implementing this policy:

1. Employees of PT Indah Cup Sukses Makmur Tbk.
2. Management of PT Indah Cup Sukses Makmur Tbk.
3. Board of Commissioners of PT Indah Cup Sukses Makmur Tbk.

IV. General Policy

The Company does not tolerate all forms of fraud and corruption (including against or from work partners, employees, government officials) including but not limited to:

1. Cheating
2. Corruption
3. Fraud
4. Embezzlement of assets
5. Secret leaks

V. Anti-Fraud and Corruption Strategy Pillar

The anti-fraud and corruption strategy, which is implemented in the form of a fraud and corruption control system, has 4 (four) pillars, as follows:

1. Prevention:
 - Active supervision of the Board of Directors and Heads of Work Units in the context of implementing Good Corporate Governance (GCG)
 - Awareness campaign regarding anti-fraud and corruption, including anti-bribery and anti-corruption through various internal and external media
 - Continuous outreach through training to all employees, new employee orientation to continually remind and ensure that employees have sufficient knowledge about anti-fraud and corruption.
 - Know Your Employee Principle.

2. Detection:

- The Company has a whistleblowing system (WBS) as a channel for reporting and conveying aspirations that is safe and guaranteed confidentiality so that employees can actively participate in safeguarding and disclosing ethical issues and bad behavior, including but not limited to incidents of fraud and corruption. This system is managed by the WBS team.
- The Company has an HR Unit whose task is to monitor the implementation of ethics by the Company's employees.

3. Investigation, Reporting and Sanctions:

- The Company has an Internal Audit Unit whose task is, among other things, to carry out investigations into suspected fraud and corruption.
- The Internal Audit Unit periodically submits reports to the President Director regarding the implementation of ethical supervision.
- The Internal Audit Unit provides recommendations for corrective action for violations that have been proven to have been committed, which are conveyed to the relevant parties (in this case the relevant manager or superior of the Reported Party).

4. Monitoring, Evaluation and Follow-up:

- The Company has a system for reporting fraud and corruption and recording all incidents and their follow-up actions
- All information/data is documented, as material for periodic evaluation as an effort to improve culture and ethics.

VI. PENALTY

- a. Employees who are proven to have committed acts of fraud and corruption will be subject to sanctions in accordance with applicable company regulations.
- b. Employees who are aware of fraud and corruption must immediately report it to the WBS team through the mechanism set out in the reporting system (Whistleblowing System).

B. Goods Procurement Management Policy

I. General Policy

1. The Company's Board of Directors determines 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. Scope

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

III. 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.

IV. 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.

C. WHISTLEBLOWING SYSTEM POLICY

I. Establishment Of Whistleblowing System Guidelines

Whistleblowing System (WBS) PT Indah Cup Sukses Makmur Tbk. ("Company") is a system that manages complaints regarding violations and/or deviations from the code of ethics, law, standard procedures, management policies and other rules deemed necessary, which can harm and/or endanger the Company such as financial, environmental, working conditions, reputation. organizations, stakeholders and others.

Information obtained from the WBS will be followed up with the imposition of firm and consistent sanctions so that it can have a deterrent effect for perpetrators of violations and for those who intend to do the same and can become input for system improvements for the Company in the future.

II. Reporting Mechanism

The following are the conditions for reporting:

1. Reporting can be done anonymously or accompanied by the identity of the reporter by providing recommendations or initial evidence of alleged violations.
2. The reporter can limit identification regarding the identity of the person concerned by still including evidence related to the alleged violation practice.
3. No punishment will be imposed on the reporting party if the violation is proven to have occurred. If the person concerned is also involved in a violation, the report submitted can be considered to reduce/eliminate the penalty.
4. The confidentiality of the reporter will be maintained unless the disclosure is necessary in connection with an investigation carried out by the authorized party or is necessary to maintain the Company's position before the law.
5. The above mechanism is not intended to convey personal complaints.

For reporting through the WBS mechanism, any indication of violation and/or submission of complaints can be reported to: PT Indah Cup Sukses Makmur Tbk WBS Team. Send your report via email at wbs@indahcup.com

III. Whistleblowing Management

The Company's violation reporting system is managed by the WBS team with the following mechanism:

1. WBS Manager receives violation reports and verifies the incoming reports.
2. The WBS Manager will determine whether further additional information or evidence is

still needed.

3. The verified report is then submitted to the WBS Manager.

IV. Handling Of Reporting

1. The WBS Team will carry out an investigation into the complaint report that has been verified by the WBS Manager.
2. If the complaint is not proven to be true, no further processing will be carried out.
3. If the report on the violation is valid and has been proven, the WBS team will provide a report and recommendations to the authorities (management related to the Reported Party's superiors to carry out corrective action).

V. Whistleblower Protection

1. Reporting can be done anonymously or accompanied by the identity of the reporter by providing recommendations or initial evidence of alleged violations.
2. The reporter can limit identification regarding the identity of the person concerned by still including evidence related to the alleged violation practice.
3. No punishment will be imposed on the reporting party if the violation is proven to have occurred. If the person concerned is also involved in a violation, the report submitted can be considered to reduce/eliminate the penalty.
4. The confidentiality of the reporter will be maintained unless the disclosure is necessary in connection with an investigation carried out by the authorized party or is necessary to maintain the Company's position before the law.

VI. Penalty for Violations

Sanctions consist of two types, namely moral sanctions and administrative sanctions.

1. Forms of moral sanctions include:
 - a. Publicly announced;
 - b. Apologize in a limited and/or open manner;
 - c. Resigned from his position.

The form of administrative sanctions is as stipulated in the Human Resources Management Policy and applicable Company Regulations.

CLOSING

To be able to implement GCG consistently, GCG tools are needed in the form of Corporate Governance Guidelines to serve as a reference for its implementation. The Company's GCG Guidelines were prepared and developed into a holistic and integrated policy system in accordance with GCG principles. The GCG Guidelines are prepared as guidelines for good corporate governance in accordance with best practice standards and applicable laws and regulations. The GCG Guidelines have been prepared to serve as a reference for Shareholders, Board of Commissioners, Directors and Employees in implementing good corporate governance.

To minimize the risk of possible deviations from the GCG Guidelines, an effective control mechanism is needed and running a continuous socialization program regarding the GCG Guidelines. The Company will carry out outreach stages to all levels of the Company with a focus on understanding, raising awareness and the need to implement Good Corporate Governance consistently.

The Company continues to strive for its commitment to internalizing GCG by accommodating the dynamics of change and being open to new concepts. For this reason, the existence of the GCG Guidelines as the main policy in the Company is deemed to need to be updated periodically to adapt to internal and external developments and issues in the Company, so that it is hoped that updating the GCG Guidelines can further ensure that all existing provisions in the Company have adapted to changes. applicable laws and regulations and the Company's business developments. The Board of Commissioners and Directors ensure that the GCG Guidelines are reviewed regularly, the implementation of the review can be coordinated or involve other parties as needed.