

Whistleblowing Policy PT Archi Indonesia Tbk

Below Policy is a work guidelines summary of Whistleblowing Policy of PT Archi Indonesia Tbk (“Company”). In addition, below Policy is prepared in two different versions (Indonesia and English), and if any discrepancy is found within the two, then the Policy in Indonesia is applicable.

A. OBJECTIVE

Archi Indonesia and its subsidiaries (the “Group”) strives to achieve high standards of corporate governance to promote corporate transparency and to enhance shareholder value. It has adopted a framework of corporate governance policies and practices that in line with the principles and best industry practices.

The objective of the whistleblowing system is to provide a formal channel for directors, commissioners, employees (“internal stakeholders”) and external parties in helping to create corporate governance in a professional manner by setting principles and procedures for reporting and investigating any irregularities or fraud.

This policy applies for Group internal stakeholders.

B. RELATED CORPORATE GOVERNANCE, POLICY & PROCEDURES

- Company Regulations (*Peraturan Perusahaan*)
- Corporate Governance Framework Code of Ethics
- Corporate Governance Policy & Procedures External Communications

C. DEFINITION

Fraud means activities that are done in a dishonest manner with deliberating intention and giving an advantage (in monetary or other beneficial form) to the perpetrating individual or organization that may result a significant loss to the Company including corruption.

Internal stakeholders consist of all directors, commissioners and employees in Archi Indonesia and its subsidiaries.

Misconduct means any activity or conduct or omission by internal stakeholders of Group that are not in line with the established Code of Ethics. These will include but not limited to:

- Fraud, thefts, and dishonest acts;
- Obtaining prohibited commissions or kickbacks;
- Accepting anything of USD 250 (or equivalent value) and above from any contractor, vendor or person providing services or materials to the Group without declaration;

- Inappropriate or unauthorized tender and procurement process or collusive bid and tender;
- Disclosure of confidential information to external parties without authorization;
- Using confidential information for unauthorized purposes or personal or third party advantages;
- Profiteering as a result of insider knowledge;
- Transactions and activities that create benefits for internal stakeholders or third party using the assets of Group;
- Discrimination, harassment or intimidation during the course of work;
- Facilitating or participating directly or indirectly in fraudulent or illegal operations;
- Conflict of interest in/outside engagements or business dealings or related parties' transactions;
- Misuse and misappropriation of Group properties and assets, including physical property (i.e. computers, phones, etc.), record (i.e. Company data, etc.), and intellectual property (i.e. patents, trademarks, registered designs, etc.) and fund.

Restitution means returning to the proper owner property or the monetary value of loss, including the appropriate sanctions in accordance to Company Regulations.

D. RESPONSIBILITY

The Whistleblowing Policy represents Group's commitment to high standards of corporate behavior towards employees, customers, suppliers, consumers, governments and communities which must be adhered to by Group's internal stakeholders. This policy is part of Group's effort in ensuring the implementation of good corporate governance (GCG).

Group's internal stakeholders must conduct themselves as to the ethical values as required by the group to uphold at all times. However, in a few cases where any internal stakeholder has concerns regarding possible fraud or misconduct with regards to the Group, it is their responsibility to report those concerns.

E. CHANNEL

Group internal stakeholders have a duty to report concerns which may have a reliable information about possible misconduct. Internal stakeholders are encouraged to report the case as soon as possible so that investigations can be carried out in a timely manner. Further, internal stakeholders are encouraged to put their names in the report, although confidential or anonymous report may also be accepted.

All incidents of actual or suspected misconduct should be promptly reported to:

- Whistleblowing Box at Menara Rajawali 19th floor
- Hotline operated by Governance/Internal Audit and Human Resources at (021) 5761719 (Jakarta) or via sms/phone 0811890960/ toll free 08001401369 (Tokatindung);
- Directly to the Ethics Committee and Secretary of Ethics Committee by email to integrity@archimining.com or laporan@helpglobaethics.com;
- Directly to the Ethics Committee and Secretary of Ethics Committee by letter addressed to **PT Archi Indonesia Integrity, Menara Rajawali 19st Floor, Jl. DR. Ide Anak Agung Gde Agung Lot #5.1, Kawasan Mega Kuningan, Jakarta 12950**; or

- Archi Department Manager/Head, Archi Governance/Internal Audit or Archi Legal Counsel who received the report should immediately inform the Archi Indonesia Ethics Committee; or
- Board of Commissioners - if any of the Board of Directors is involved in the actual or suspected fraud. Any persons who received the report should immediately inform the Group Ethics Committee.

F. GENERAL RULES & STRUCTURES

Any information received by Group Ethics Committee will be reviewed and acted upon. Group Ethics Committee is responsible for maintaining a record of misconduct, including all regulatory and Code of Ethics violations.

If Group Ethics Committee is satisfied that an investigation is warranted, they will authorize investigations results made by Governance/Internal Audit or use external consultants if requires forensic review. The investigating unit or team should have free and unrestricted access to the data, document and records. Internal stakeholders who responsible for the area in which the misconduct is suspected to be occurred, should be involved. They may assign one or more independent officers to provide support during the investigation.

All investigations arising from a report of suspected misconduct should be carried out in an objective and impartial manner without regard to any person's length of service, position or title, or relationship to the Group, with due regard for the interests of the person(s) against to whom the report has been made, other persons involved and the Group.

The investigation shall be carried upon proper authorization and the process shall be kept confidential. Investigation process and results will not be discussed to anyone other than those who have a legitimate need to know (Board of Directors, Ethics Committee, assigned investigation team and immediate head).

During an investigation, the suspect may be suspended from work while Company is waiting the results of the case to be final reviewed and prevented from further access and manipulation on the system, data, and resources.

The investigation report should include key information such as the following:

- Background information;
- Fact findings, including the date, time and place of the suspected misconduct including the manner of discovery;
- Monetary value of the assets or other item suspected to be involved in the investigation case and potential risks due to the misconduct; and
- Any internal control weaknesses or non-compliance with operating procedures identified during the course of the investigation and the recommendations to address the issues raised including remedial and preventive actions.
- Group Ethics Committee will make an assessment as to whether or not misconduct has occurred and the degree of implications and damage to the Company including legal actions to be taken (civil or criminal proceedings).

- If the person committing the misconduct is a Board of Directors member, the Group Ethics Committee will forward findings to the Board of Commissioner/Managing Director in charge for further action.
- Group Governance/Internal Audit Director shall report all whistleblower's complaints received to the Audit & Risk Management Committee on a quarterly basis.

G. PROTECTION FOR WHISTLEBLOWERS

Identity of the whistleblower will be protected and kept confidential by the Group Ethics Committee and the relevant investigation teams. Additional support or legal assistance will be provided to the whistleblower as deemed necessary based on the sensitivity, complexity, and magnitude of the misconduct reported.

Group will not tolerate harassment or victimization of a person as a consequence of that person having made report in good faith about suspected misconduct or having given evidence during an investigation. Any violation on this will result in disciplinary actions against the violating employees. Group Ethics Committee will safeguard the interests of the whistleblower and ensure whistleblowers acting in good faith are not personally disadvantaged.

No such protection will be extended to any person who intentionally or willfully gives wrong or misleading information against someone else. Group takes a serious view of malicious or vexatious reports in compliance with the Company Regulations.

H. PROTECTION FOR THE GROUP

Information pertaining to the whistleblowing case will be kept confidential and restricted to the group of designated officers in charge of the investigation. This is to prevent unnecessary leakage of information which could result in potential legal suits if there was insufficient evidence to support the case.

Any inquiries from media or any other source relating to an investigation case shall be referred to the Corporate Secretary or any designated person(s) who has the authority to handle these matters.

The Company will ensure sufficient facts and evidences to support the action or decision to be taken against the alleged perpetrator (whistleblower), are able to stand up to cross-examination/scrutiny in the courts.

The Company will ensure that all whistleblower will not be convicted of any wrong doing or unduly penalized until the case facts are proved to be genuine and sufficient evidence are in place to support the case.

The Company also expects the whistleblower to responsible and not to make unsupported allegations of wrong doing.

I. DISCIPLINARY ACTION



Disciplinary action will be taken according to Company Regulations for the misconduct. In addition, restitution may also be required and the case may be referred to the police or other law enforcement agencies as deemed appropriate by the Group Ethics Committee. Any documents submitted to external parties will require review and approval of Group Legal Counsel.

Disciplinary action will also be extended to the following:

- Person who attempt to retaliate, victimize or intimidate against any whistleblowers; and
- Person who raised the matter to discredit or has a malicious intention.

Disciplinary action may also be taken against the immediate supervisor or any other internal stakeholders where they have failed to discharge their responsibilities adequately in preventing, identifying, and reporting the misconduct.

J. RECORD KEEPING

Reports and all relevant documents (e.g. interview notes, documentation, evidence) obtained during the investigation process should be properly indexed, filed and handed over to Group Ethics Committee. Documentation will follow the best practice standards issued by Association of Certified Fraud Examiner (“ACFE”) and Institute of Internal Auditors (“IIA”).

Investigation report (in any form) should not be circulated to any person(s) other than Group Ethics Committee and others in which the report may be extended to as noted in the distribution list in the report. Request for the copy of the reports should be submitted to the Group Ethics Committee, together with appropriate reasons.

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