

## SUPPLIER CODE OF CONDUCT

### **FOREWORD**

PT. OKI Pulp & Paper Mills (hereafter termed “OKI”), is committed to the highest standard of ethics and integrity and aims to create an impact for a better world-better future. In doing so, OKI has established a Business Code of Conduct (“BCOC”) as the company standard for ethical business practices and regulatory compliance. This standard applies to all OKI employees, directors, and officers, around the globe.

Similar to our BCOC, this Supplier Code of Conduct (“SCOC” or the “Code”) further prescribes values and principles we expect from all our suppliers, contractors, consultants, agents, distributors, intermediaries and other business partners, along with their employees, parent entities, subsidiaries, and subcontractors (collectively as “Suppliers”) to adhere with.

OKI expect all business partners we involved with to share similar values and principles of the highest business ethics and compliance. For this reason, OKI expects all Suppliers to commit to the achievement of these shared values. In respective, by engaging with us and/or accepting this Code, Suppliers are obligated to adhere to and comply with the provision contained herein and are responsible for educating their people accordingly.

### **Waivers and Modifications of Rules**

This Code is not intended to be an exhaustive list nor purposely to replace any contract agreements and applicable standards or regulation, but rather complement it. If there is a different requirement between the applicable laws and regulations, the OKI and the Supplier’s Code, policies, and procedures, the strictest provision must be followed.

### **GENERAL REQUIREMENTS**

OKI expects all Suppliers to be honest, fair, and trustworthy in conducting their business activities, especially when engaging with us. OKI Suppliers are required to:

- Demonstrate commitment to the fulfilment of this Code by adopting this Code or developing their own equivalent to this Code.
- Comply with all applicable laws and regulations, along with standards and requirements governing OKI and Suppliers’ business while conducting business, including but not limited to:
  - **Trade Laws:** comply with all applicable trade controls, as well as all applicable export, re-export, and import laws and regulations.
  - **Anti-Monopoly Laws:** conduct business in full compliance with anti-trust and fair competition laws that govern the jurisdictions in which Suppliers conduct their business. Suppliers are prohibited from involving in any engagement through contracts, arrangements, understandings, or concerted practices that have the purpose, effect, or likely effect of substantially lessening competition in a market in anti-monopoly practices, including an agreement with competitors to fix the price, rig bid, or restrict supplies.

- **Anti-Money Laundering Laws:** comply with the anti-money laundering policies and ensure adequate processes and controls are in place to prevent and detect money laundering attempts in the business.
- **Labour Laws:** comply with the worker protection policies in carrying out their work and provide workers with decent living opportunities without discrimination against race, sex, and gender.
- Conduct their business activities and fulfil all legal and contractual obligations honestly, transparent, and accountable manner.
- Establish an adequate management system to ensure the effectiveness of overall business operation (especially pertaining to the fulfilment of requirements under this Code), considering its business size and associated risks. This includes effective preventive, monitoring, and reporting controls or activities for their business operations.
- Promote the *Speak-Up* culture in their business which encourages employees and stakeholders to raise their concerns.
- Provide an effective and confidential mechanism for employees and stakeholders to raise their concerns related to works, or report violations towards this Code, the OKI and Supplier's own policies or procedures, and the applicable laws & regulations. Ensure that the appropriate measures concerning the report are taken in an objective and unbiased manner.
- Promptly inform their OKI's representative of any circumstances they faced that might hinder them from fulfilling their obligation concerning this Code.
- Educate and train employees, subcontractors, and others deemed necessary to ensure their understanding and compliance to OKI's and Supplier's Code, policies and procedures, and applicable laws and regulations.

Following below are the values that constitute this Code:

## **1. ENVIRONMENT, HEALTH, & SAFETY**

OKI Suppliers must integrate sound, secure, health, and safety management practices into all aspects of business. In addition, Suppliers must also respond to challenges posed by climate changes, and work towards protecting the environment.

### **1.1 Working Environment**

OKI Suppliers must:

- Provide a secure, safe, and healthy work environment and fully comply with all safety and health laws, regulations, and practices, including those applicable to the areas of occupational safety, natural disaster and emergency preparedness, occupational injury and illness, industrial hygiene, physically demanding work, machine safeguarding, sanitation, food and drinking water, and housing. Adequate steps must be taken to prevent and minimize the causes and impacts of hazards inherent in the working environment, including by providing all standard personal protective equipment that is suited to the type of work being carried out, as well as meeting the requirements of the Contractor Safety Management System (CSMS) guidelines applicable in OKI.

- Prohibit the use, possession, distribution, or sale of illegal drugs, especially in OKI's premises or anywhere when conducting business activities for the purpose of fulfilling contractual obligation with OKI, including in the Supplier own premises and public area.
- Possession or use of weapons while on company premises or undertaking company business is strictly prohibited unless specifically required and regulated by local laws.

### **1.2 Products & Services Safety and Quality**

OKI Supplier must adhere to all applicable laws, regulations, and customer requirements regarding quality, health, and safety standards for the products and/or services provided, including the prohibition or restriction of specific substances and labelling for recycling and disposal.

### **1.3 Environmental Protection**

OKI is committed to being actively involved in the global effort of reducing emissions to combat climate-changing and protect biodiversity. OKI also encourages the same commitment from OKI Suppliers. At the minimum, OKI Suppliers must comply with the below requirements:

- Obtain, maintain, and keep current all required environmental permits and registrations, and follow such permits' operational and reporting requirements.
- Endeavor to use resources efficiently and reduce or eliminate waste of all types, including water and energy, by implementing appropriate conservation measures in their facilities, through their maintenance and production processes, and by recycling, reusing, or substituting materials.
- Comply with all applicable environmental laws and regulations regarding hazardous materials, air emissions, waste, and wastewater discharges, including the manufacture, transportation, storage, disposal, and release to the environment of such materials.
- If applicable, identify the chemicals or other materials being produced and/or released that pose a threat to the environment and manage them appropriately to ensure their safe handling, movement, storage, use, recycling, or reuse and disposal.

## **2. FAIR EMPLOYMENT PRACTICES**

OKI expects its Suppliers to share its commitment to human rights and equal opportunity in the workplace. All OKI Suppliers must conduct their employment practices in full compliance with all applicable laws and regulations and must, without limitation, adhere to the below provisions.

### **2.1 Diversity & Inclusion**

While we recognize and respect cultural differences, we require that Suppliers not engage in discrimination in hiring, compensation, access to training, promotion, termination, and/or retirement based on race, colour, sex, national origin, religion, age, disability, gender identity or expression, marital status, pregnancy, sexual orientation, political affiliation, union membership, or others. We encourage Suppliers to promote an inclusive working environment where everyone feels respected, included, and appreciated.

It should be noted that inclusion refers to how people feel at the workplace, where people feel belonging with everyone within the Company. A company may employ diverse individuals, but if they do not feel safe, appreciated, respected, and valued, it is not considered inclusive and may prevent the Company from performing at its highest potential.

## **2.2 Safe Working Environment**

Suppliers are required to cooperate with OKI's commitment to a workforce and workplace free of harassment and unlawful discrimination. Suppliers are prohibited to engage in physical disciplinary actions or abuse. Sexual and/or verbal abuse, and other form of harassments and intimidation are unacceptable. OKI also absolutely prohibits taking adverse action against an employee because they have raised a concern or report about a violation of policy or law.

## **2.3 Use Only Voluntary Labor**

Hiring forced labor, whether indentured labor, bonded labor, or prison labor by OKI Suppliers is strictly prohibited. We also prohibit support for any form of human trafficking of involuntary labor through threat, force, fraudulent claims, or other coercion.

## **2.4 Prohibition on Child Labor**

Suppliers must comply with all applicable minimum working age laws or regulations and not use any form of child labor. Suppliers cannot employ anyone under age for completing compulsory education or under the legal minimum working age for employment— whichever is higher. OKI only supports the development of legitimate workplace apprenticeship programs for the educational benefit of young people and will not do business with those who abuse such systems.

## **2.5 Working Hours and Compensation**

Suppliers must comply with the requirement of all applicable laws and regulations about regular working hours and overtime work. All disciplinary measures should be recorded. Wages, benefits, and overtime paid must meet the applicable laws. Compensation and benefit terms agreed under the legal collective bargaining agreement must be appropriately addressed and fulfilled.

## **2.6 Freedom of Association & Collective Bargaining**

Suppliers must appropriately grant their employee's right to freedom to form, organize, and/or join any associations and collective bargaining in accordance with the applicable laws and regulations.

# **3. BUSINESS ETHICS AND INTEGRITY CONDUCT**

## **3.1 Conflicts of Interest**

Suppliers must take care and avoid the appearance of actual improprieties or conflicts of interests when conducting business with OKI. Any potential conflicts of interest situations must be declared in writing, ahead of conducting business with OKI, including any ownership or beneficial interest of Supplier's business by any public or officials from government and government institution, representatives of a political party, or employees of OKI.

It should be noted that a conflict of interest is not necessarily a violation of OKI policy but failing to disclose a conflict promptly is always a violation. Disclosing potential conflicts of interest is a mandatory since it allows the management to identified and mitigate the risks that may influence business decisions.

### **3.2 Anti-Bribery and Corruption**

OKI has zero tolerance for any forms of bribery and corruption and is committed to the anti-bribery and corruption laws applicable. Suppliers must not participate in bribery, kickbacks, facilitating payments, or any forms of bribery and corruption, whether in dealings with public officials or individuals in the private sector.

Suppliers must comply with all applicable anti-bribery and corruption laws, as well as laws governing lobbying, gifts, and payments to public officials, political campaign contribution laws, and other related regulations.

Suppliers must not, directly or indirectly, offer or promise to give or pay, or ask, extort, or receive anything of value (including travel, gifts, hospitality expenses, charitable donations, or other favors) to employees of OKI, any official or employee of any government or government agency, political party, public international organization, or officials and candidates of political parties, any private sectors, entities or organization, or individual to:

- a. Unlawfully obtain any proprietary, private, or confidential information, or any advantages;
- b. Improperly influence any act or decision of anyone for the benefit of Suppliers or OKI in any respect, or;
- c. Otherwise, improperly promote the business interests of Suppliers or OKI in any respect.

It should be noted that bribery means giving, offering, promising, asking, agreeing, receiving, accepting, soliciting, or extorting anything of value, whether directly or indirectly, to induce or influence an action or decision or gain an improper business advantage.

Anything of value refers to cash or cash equivalent (voucher, e-cash, cheque, deposit, others); gifts to family members; debt write-off; loans; personal favors; sexual favors; rebates; kickbacks; insider information; entertainment; meals and travel; political, social and charitable contributions; business or employment opportunities; medical care; and others.

### **3.3 Gifts & Entertainments**

Exchanging anything of values might improperly influence a business decision and therefore constitute as a bribe under certain circumstances or create a conflict of interest. For this reason, OKI implements a NO GIFTS exchange policy with its Supplier and business partners (potential and otherwise).

- a. Offering anything of value to obtain or retain a benefit or advantage for the giver, and offering anything that might appear to influence, compromise

judgment, or obligate the OKI employee is strictly prohibited. Do not provide any gifts or personal favor in any nature to OKI employees.

- b. Providing business meals to OKI employees is only allowed if the purpose is to discuss business and eaten together. Always use good judgment, discretion, and moderation when offering meals and ensure that it does not violate any policies (of giver and recipient companies), regulations, and local customs.

Please understand that it has never been OKI intention to be discourteous if we refuse your well-intended gifts. We respect all business partners and aspire to build a proper business relationship by avoiding anything that might inappropriately influence a business decision (in fact or appearance). For this objective, OKI expects the same commitment level from all Suppliers where Suppliers are required to maintain their gifts & entertainment policy.

### **3.4 Business Records**

Suppliers must honestly and accurately record and report all their business information and transactions, including their dealings with OKI. Any creation, retain, and disposal of business records must be in full compliance with all applicable standards, legal and regulatory requirements. Suppliers must be honest, direct, and truthful in disclosing information to all stakeholders, including regulatory agency representatives and government officials.

### **3.5 Protection of Intellectual Property, Information, and Assets**

Protection of intellectual property rights, information, and assets is vital for any company.<sup>1</sup> OKI depends on intellectual property, such as information, processes, and technology. All OKI Suppliers must, without limitation:

- Respect and protect the intellectual property rights of all parties by only using information technology and software that has been legitimately acquired and licensed. Use software, hardware, and content only in accordance with their associated licenses or terms of use.
- Protect and responsibly use the physical, intellectual assets, and information of OKI, including intellectual property, confidential and proprietary information, tangible property, supplies, consumables, and equipment. Use such assets only when authorized by OKI in writing and in a manner that does not violate any laws and regulations, especially pertaining to competitive conduct and

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<sup>1</sup> Intellectual property is among OKI's most valuable assets. Intellectual property includes patents, trade secrets, trademarks, copyrights, and designs, and helps protect OKI's inventions, manufacturing processes, brands, business plans, marketing documents and graphics, software, product shapes, proprietary information, and many other things.

*Proprietary information is information that is undisclosed, for example, not publicly known or generally available, and that is held in confidence.*

*Personal information is any information that could be used to identify someone, either directly or indirectly, for example, name, employee and personal ID, address, phone number, biometric and genetic data, and other sensitive data or information.*

insider trading. Ensure appropriate approval before the transfer or sharing of information related to the OKI with anyone.

- Respect the privacy and personal information of OKI's employees and others, including business partners. Only those who need to know for legitimate business purposes or when required to comply with the laws and regulations may access and use the personal information.
- Comply with the intellectual property ownership rights of OKI and others, including but not limited to copyrights, patents, trademarks, and trade secrets, and manage the transfer of technology and know-how in a manner that protects intellectual property rights.
- Comply with all OKI requirements and procedures for maintaining passwords, confidentiality, security, and privacy as a condition of providing OKI with goods or services or receiving access to the OKI's internal corporate network, systems, and buildings. All data stored or transmitted on OKI-owned or -leased equipment is to be considered private and is the property of OKI. OKI may monitor all use of the corporate network and all systems (including email) and may access all data stored or transmitted using the OKI network.
- Use OKI-provided information technology and systems (including email) only for authorized OKI business-related purposes. OKI strictly prohibits Suppliers from using OKI-provided technology and systems to:
  - Create, access, store, print, solicit, or send any material that is intimidating, harassing, threatening, abusive, sexually explicit or otherwise offensive or inappropriate, or
  - Send any false, derogatory, or malicious information, or
  - Benefit personal needs or advantages.

### **3.6 Insider Dealing**

Insider dealing, especially for trading purposes, is considered an illegal practice by laws and must be avoided by Suppliers. Suppliers must not:

- a. Unlawfully acquire any type of confidential information or non-publicly available information.
- b. Enter into a business decision or agreement or exercise a trading option based on confidential information or non-publicly available information that they acknowledged or acquired.
- c. Give a tip or share any confidential or non-publicly available information to anyone without prior consent or discretion from authorized personnel.

### **3.7 Engagement with Communities**

OKI believes that our prosperity and welfare responsibility should not stop to just our people or employee, but also to our stakeholders and communities wherever we operate. Therefore, OKI encourages Suppliers to engage with their surrounding communities and being their trusted partner and promoting and empowering the development of their social and economic aspect, as well as protecting the cultures.

Suppliers must protect and promote individuals and communities' property and land rights, including the indigenous people. All negotiations related to property and land use must be transparent and documented under prior and voluntary consent.

#### **4. ACCOUNTABILITY & REPORTING**

OKI requires all Suppliers to be compliance with this OKI Supplier Code of Conduct. Suppliers must promptly inform their OKI contact (or a member of OKI management) when any situation develops that causes the Supplier to operate in violation of this Code.

To ensure Suppliers' understanding, training on this Code may be offered by OKI and be a requirement for Suppliers attendance in addition to any other obligations stated in any agreement a Supplier may have with OKI.

While Suppliers are expected to self-monitor and demonstrate their compliance with this Code, OKI may request reasonable audit or inspection rights on Suppliers or their facilities to confirm the compliance. OKI reserves the right for corrective measures towards Suppliers in case of any incompliance of this Code and applicable laws and regulation, including immediate contract termination or removal of any Supplier representative(s) or personnel who behave in a manner that is unlawful or inconsistent with this Code or any OKI policies.

#### **Key Question of Integrity**

Suppliers must remember that this OKI Supplier Code of Conduct is not a substitute for their good judgment. This Code is not meant and cannot cover every conceivable situation. For this reason, Suppliers should be alert to signs that they might be in an integrity grey area and ask themselves three simple questions if there are doubts about what they should do.

1. How would this decision look to OKI, your own company, and other parties?
2. Is your action compliant with laws, your own company's policies, and this Supplier Code of Conduct?
3. Would your action damage OKI's and/or your own company's reputation?



## Raise Your concerns To OKI Integrated Call Center



**ICC**  
Integrated  
Call Center

We want  
everyone to  
**SPEAK UP!**

**TOLL FREE | 0800 1 368 368**  
app\_callcenter@app.co.id

 Emergency	 Customer Service	 Fraud Report
 Work Incident	 Customer Complaint	 Community Grievance
 Supplier Inquiry	 Product Inquiry	 Natural Disaster

This Integrated Call Center (ICC) allows Suppliers and all stakeholders of OKI to raise their integrity questions and concerns, anonymously if preferred. Please use the toll-free number from any Indonesian landline for any concerns or reports of violation. Charges will only apply for calls made from outside Indonesia. Alternatively, send an [e-mail](#).

**Remember:**

- Act if you see an issue.
- Ask if you're not sure.

Jakarta, 31 May 2023

## REFERENCE

### REGULATION (LAW)

Law of the Republic of Indonesia Number 5 of 1999 concerning Prohibition of Monopolistic Practices and Unfair Business Competition

Law of the Republic of Indonesia Number 20 of 2001 concerning Eradication of Corruption Crimes

Law of the Republic of Indonesia Number 15 of 2002 concerning the Crime of Money Laundering

Law of the Republic of Indonesia Number 13 of 2003 concerning Indonesian Manpower

Law of the Republic of Indonesia Number 32 of 2009 concerning Environmental Protection and Management

Law of the Republic of Indonesia Number 7 of 2014 concerning Trade

### STANDARD

International Labour Organization (ILO) Core Convention

United Nations Guiding Principles on Business and Human Rights (UNGPs on BHR)

United Nations Global Compact (UNGC)'s 10 Principles